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The Nation's Business

- Open Sessions on Tariff
- Move in Right Direction
- Meighen on Russia
- Propaganda Chief Among Exports

TARIFF AGAIN OUT IN OPEN?

ONE of Mr. Bennett's first acts as prime minister was to abolish the tariff board. True, he promised to reconstitute it on a somewhat different basis but his action left the country without an official fact-finding body before which tariff requests of interested groups could be presented in the full light of publicity. Tariff-making was again, at least temporarily, restored to its former doubtful status of comparatively secret negotiation. Those people who are more conscious of their position as consumers than as likely beneficiaries of tariff protection again became suspicious of the manner of formulating tariff schedules.

Mr. Bennett now announces public hearings on the tariff, beginning with agricultural items. A committee of the cabinet will stop up for a while the gap in the tariff-making machinery.

* * *

HOW such busy ministers can undertake any adequate examination in public of the numerous briefs already filed with the government is something that the average man will not be able to understand. The committee's enquiries can not be other than cursory and inconclusive. Nevertheless, the step is one that should be generally welcomed for it represents a swing back to the public discussion of tariff suggestions and paves the way for the institution of the tariff board method of analysis of fiscal policy.

* * *

NO DOUBT the committees will review again the changes effected in the emergency tariff instituted in the short session of September last and which have not all proved valuable in application. No doubt, too, the government will place before the committee the scores, even hundreds of tariff requests filed with the government by manufacturers and others since July 28 last. This would at least make the now-secret requests public property and give an indication to the public generally of what various groups are expecting in the way of protective changes.

Any request for a tariff change—whether up or down—should be able to stand the test of examination publicly before being granted by any government. If the cabinet committee makes all such requests public one at least of the important benefits of the existence of a duly constituted tariff board will be revived.

* * *

CANADA vs RUSSIA IN TRADE FIGHT

NEWSPAPERS across Canada carried substantial reports of the excellent address on Russia given by Rt. Hon. Arthur Meighen in Toronto last Saturday evening. Mr. Meighen made it clear that Canada and Russia are keen competitors for the reason that both produce very much the same agricultural products and have somewhat similar soil and weather conditions. Mr. Meighen declared it to be necessary for other countries that aim at a different type of economic civilization, to protect themselves against the particularly menacing type of Russian competition now being experienced in agricultural products and likely later to be felt in industrial products as well.

* * *

THERE is another type of menacing export from Russia, insidious and powerful, to which Mr. Meighen apparently made no extended reference. This is propaganda, which is carried on throughout the world apparently with the purpose of lowering the industrial efficiency of other nations. It may sometimes be a wonder to business men why the Third Internationale pays so much attention to Canada and conducts such vigorous—although not always apparent—communistic propaganda campaigns in Canada. It is simply because in Canada Russia recognizes a great competitor, due to the similarities in area, climate, soil and natural resources referred to. Mr. Meighen has had ample opportunity to observe how communism is propagated in this country, and how Soviet influence is brought to bear upon the task of setting up interrupting influences in our national economic life, influences which threaten our ability to compete on favorable terms with Russia and other lands.

Western Impersonator is Not Post Man

A man giving his name as J. A. Gibson has been calling upon business firms in Western Canada asking information regarding their businesses and to aid in securing this has been representing himself as a member of The Financial Post staff. He has, we are informed from a number of sources, been discourteous when the information sought was not forthcoming.

This man has never at any time been a member of The Financial Post staff, has never been a correspondent of the paper nor connected with it in any sense whatsoever.

Fortunately The Financial Post's good friends in Western Canada felt from this man's lack of courtesy that he was not connected with The Post but this notification is published to prevent, if possible, further irritation and in the hope of preventing any other improper action on the part of this person.

WILL REPORT HIGHER PROFIT ON DE FOREST

At 16, Stock is 60 Per Cent Above Year-end Price

EXTRA IS PREDICTED

Greater Earnings, Stronger Balance Sheet, Will Enable Company to Pay More, it is Said

When stock of De Forest Crosley Radio Co., Ltd., on February 10 on the Toronto Curb sold at $16 per share, it had registered an advance of 60 per cent in market valuation since the beginning of January. The close was at 15¾, an advance for the day of ¾.

High earnings, greater sales, increasing diversity of product, good collections and an improved balance sheet position are the reasons cited for the interest in the stock. There was believed to have been until recently fairly large floating supply of the issue, but it is understood that good distribution has been obtained.

Sales Reported Higher

In the year ended March 31, 1930, the company reported $1.61 on the stock. Definite figures for the current year have not been made public, but it has been stated officially that sales have been greatly in excess of last year and this is confirmed in other quarters.

De Forest Crosley, purely a Canadian company, is one of the issues offered in the last boom period which consistently has sold above the issue price. The original offering, in October, 1928, was at $25 per share. This issue went to $89 per share, at which point a four-for-one split was announced for the 33,000 shares outstanding. Thus the present price of around $16 is the equivalent of $64 for the stock sold in 1928 at $25. At the 1930 low of $8, it was at the equivalent of $32 for the old stock. A later issue to executives and employees brought the total issued shares to the present number of 139,168.

Reports Collections Good

The common shares are the only capitalization, there being neither bonds nor preferred stock. As at March 31, 1930, working capital was $547,723, the ratio of current assets to current liabilities being better than 6 to 1. The company had no bank loans and had $130,656 in cash. Since then, it is understood that there has been a great increase in cash and that collections on radios sold have been excellent, with adequate reserves set up for bad debts.

The dividend rate is 80 cents annually, the first quarterly payment having been made last May. There are predictions of an extra at the close of the current year on March 31, since it is understood that the earnings are greatly in excess of the amount reported for last year.

De Forest Crosley is the creation of Major J. E. Hahn, who organized the business in 1923 and who has been its active head since. The company is understood to have excellent connections in the United States, assuring it the use of the latest devices for the improvement of radio reception.

Beaton Denies National Life Will Merge

Emphatic denial was given this week to The Financial Post by A. H. Beaton, president of the National Life Insurance Co., of current rumors that negotiations were under way for purchase of that company by the Prudential Assurance Co., Ltd., of England. C. C. H. Drake, manager for Canada of the Prudential is at present in Cuba.

Prudential Assurance is one of the oldest and most important life offices in Great Britain, and although the company has been writing fire and casualty insurance here for some time, the decision to write life insurance in Canada was only made last year, agency offices having been set up in Montreal last September, and in Toronto at the first of this month. Arthur Pedoe, formerly actuary of the Continental Life, was appointed Canadian actuary for the company as at February 1.

National Life commenced business in 1899 and was controlled by the late Elias Rogers. A list of shareholders as at December 31, 1928, shows the National Trust Co. as executors of the estate of Elias Rogers; George W. Beardmore, F. Sparling and A. H. Beaton as the largest individual shareholders, respectively. Approximately 64 per cent of the stock was held in these four names at that time.

Still Plenty of Time For Investors to Buy

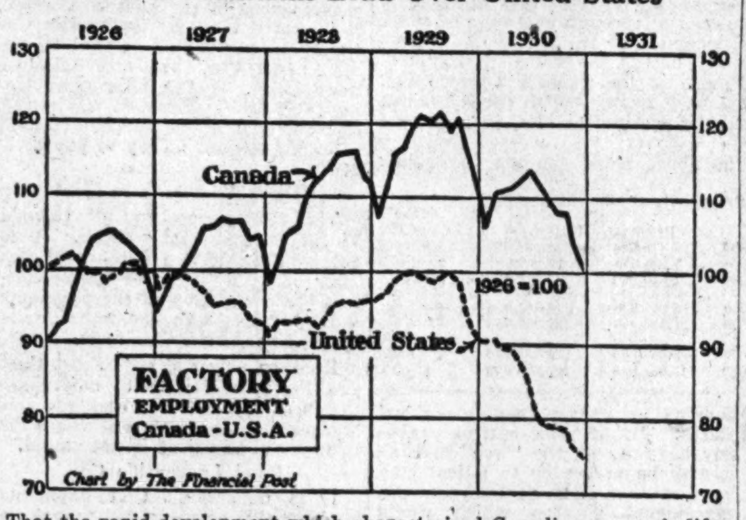
Traders would do well to be chary of the recent outburst in strength on the stock market. It apparently has been favored by an over-sold market produced by too much short selling and by too great pessimism, but the upturn is as yet unsupported by definite indications of business improvement which alone can be expected to give it an enduring foundation.

The sudden display of strength, however, serves to remind the discouraged that business is not down and out but simply recuperating and that the stock market, sensing that fact, still has within it great potentialities.

Yet for the present there is no haste to buy. It is true that on previous occasions the stock market has started an upward swing long before business has shown an improvement. It discounts business conditions from six months to two years in advance. Just as the great slump in the fall of 1929 came at a time when business appeared to be going full steam ahead to those who had not been paying attention to warning statistics, so it may rise when conditions appear bad. Back in 1908 when business was at its worst, the security market was rising.

There has been plenty of confidence in the future of business and the stock market all along but so far it has been held in check by various weak situations developing and continued liquidation of securities to bolster them up. Countless situations of this kind have already been liquidated, and the reduction of brokerage loans continuously and the growth in savings would indicate that underlying strength is growing.

Canada Maintains Lead Over United States



That the rapid development which characterized Canadian economic life in the past four years, as compared with that of the United States, has been well maintained, is clearly indicated in the above chart of employment in the two countries. After showing a similar trend in 1926, the Canadian curve forged ahead much faster than that of the U. S. A. until 1929, and despite the current depression this lead has been definitely maintained.

Definite Movement on By American Publishers Break Newsprint Price

Consumers' Gas Plans For Expansion Opposed

The Toronto city council on February 9, 1931, went on record as opposing the plans of Consumers' Gas Co. of Toronto to extend its mains beyond the city limits. The company is planning to extend its services to Port Credit and to the township of Toronto.

The action of the city council, it was stated, was taken because it was feared that extension into outside municipalities might be unprofitable, thereby reducing the chances of reduced rates for Toronto consumers.

B. A. OIL CO. SALES KEEP UP, EARNINGS DOWN

Year Satisfactory in Spite of Western Recession and Gasoline Dumping

Earnings of British American Oil Co. may be disclosed at the annual meeting on February 17 to shareholders, but it is not certain as yet that the company will publish a financial statement for the benefit of the general public as it did last year when a debenture issue was made.

The Financial Post understands, however, that the earnings in 1930 were nearly as high as in 1929 when $1.23 a share was shown on 2,622,642 shares of no par value common stock. Actual sales were as large as in 1929 but this and other companies faced a situation created by large imports of Pennsylvania gasoline sold below costs of other companies because it is a by-product with the Pennsylvania companies and in various parts of Canada these prices had to be met with detriment to net earnings. The Western situation also bore heavily on all companies operating to any large extent in Western Canada.

In spite of these adverse features, however, the company earned its dividend of 80 cents a share with a substantial margin after paying interest on the $5,000,000 of 15-year five per cent convertible sinking fund debentures due 1945 which were issued in February, 1930.

The company is also in the happy position of having a subsidiary source of income in two large Oklahoma wells which are expected to net the company about $1,000,000 in 1931 even if present stringent curtailment programmes continue.

Not Endangered By Salt

Some anxiety has been created among shareholders by reports of salt water invading some of the prolific wells of the Oklahoma City area, but S. R. Parsons, chairman of the board, informed a representative of The Financial Post when asked as to the bearing of this new factor on the company's wells, that the trouble was located some miles distant from their properties in which they were interested and that officials did not believe that their wells were in danger from this source. The results from the wells

(Continued on page 2, col. 5)

Claim 400,000 Tons Have Been Bought at Lower Rate

SEEKING STATEMENT

Want Producers to Give Statement on Stand as Regards 1931 Values

From Our Own Correspondent

MONTREAL.—Developments over the past few weeks indicate that the Canadian newsprint publishers have little hope of maintaining the present price schedule during 1931.

Strenuous efforts are now being made by the American Newspaper Publishers' Association, and especially the Hearst interests, to break down the price.

The A. N. P. A. claim that 400,000 tons of newsprint have already been sold for 1931 at prices below 1930.

Want Stand Known

Directors of this association have already been in touch with the principal Canadian manufacturers asking them what they intend to do in regard to contract prices.

Abitibi has replied to the effect that the price paid by the publishers on December 15, 1930, would continue for 1931, and that the company "will protect its customers in the event of a decline in the general newsprint market contract price."

Both Canada Power & Paper and St. Lawrence were asked to state their position. It is expected that St. Lawrence will make some announcement toward the end of this week. Canada Power has not intimated what it will reply.

Fear Price Cut

It is only too obvious that a break in the price of newsprint will have a serious effect on the fortunes of the Canadian manufacturers in this year. The best that the producers could hope for this year was a maintenance of price.

The demand for newsprint has slipped off appreciably in the past few months, and returns for January and the early part of February would clearly indicate that the volume of newsprint consumption for the first half of 1931 will be less than for the same period last year.

Causes for Break

Manufacturers have been afraid that attempts would be made to break the price, especially in view of the fact that manufacturing costs have declined and with many operators working below half of capacity the need of further business would be imperative, even at the expense of cutting prices.

Because of necessity the producers have been able to make considerable savings in their operating costs over the past year. On top of that the pulp market has shown great weakness, and pulpwood can be had at a lower figure than for some time past.

The position of the publishers is

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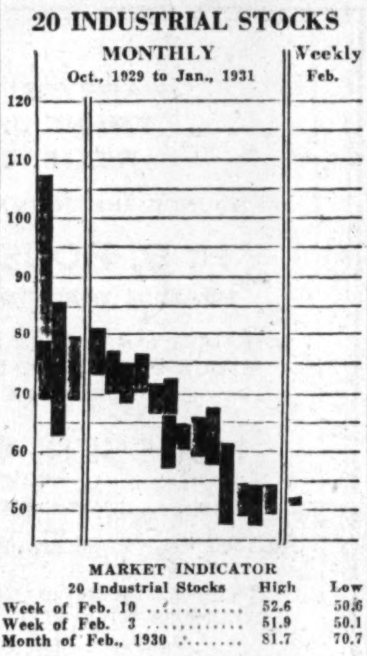
Stock Market



MARKET INDICATOR	High	Low
20 Industrial Stocks		
Week of Feb. 10	52.6	50.6
Week of Feb. 3	51.9	50.1
Month of Feb., 1930	81.7	70.7
8 Bank Stocks		
Week of Feb. 10	246	244
Week of Feb. 3	246	244
Month of Feb., 1930	268	261
10 Public Utilities		
Week of Feb. 10	83	81
Week of Feb. 3	82	80
Month of Feb. 1930	103	95

MONT. COTTONS ADDS LARGELY TO EQUIPMENT

Extensive Additions to Installations at Valleyfield

SCRAP OLD MACHINES

Reflection of Aggressive Plans Following Closer Ties With Dominion Textile

From Our Own Correspondent

MONTREAL.—Comprehensive improvements in manufacturing facilities covering a wide range of equipment are being undertaken by Montreal Cottons Ltd. The new machinery which is being placed in the plant is related to preparatory and spinning processes while additional looms will also be installed.

Old equipment in many cases is being scrapped. Substantial sums are involved in the plant improvement with a view to bettering operations and quality of production. It is expected that completion of changes under way will occupy the best part of a year. Activities at the plant are being maintained.

Position is Strengthened

The sweeping changes in equipment appear to reflect two things: the company's closer affiliation with Dominion Textile Co. and a strong cash position resulting from the long term lease of water rights at Valleyfield to Beauharnois Light, Heat and Power Co.

Just a year ago, F. G. Daniels, president of Dominion Textile Co. was appointed president of Montreal Cottons. Though the two companies had been closely affiliated for some years this appointment presaged a considerable amount of internal and operating reorganization. Dominion Textile Co., has been adding to its common share holdings in Montreal Cottons for some years and now possesses what probably amounts to a controlling interest. There was a steady bid for the stock last year and the shares held relatively firm in face of lower earnings and a general decline in security values.

Several Changes Effected

Following the announcement of a closely interlocking management it was expected that various changes would be made in the situation surrounding Montreal Cottons. It is understood that these have been quietly worked out in the past year and the installation of new equipment is another tangible reflection of the improved outlook for the company.

The lease of Montreal Cottons' water rights to Beauharnois placed the former company in a strong financial position. Formerly the cotton mill at Valleyfield generated all its own hydro-electric power. In 1929 the power site was leased for 75 years, the consideration being $1,975,000 cash; 5,435 common shares of Beauharnois Power Corp. and 8,000 horsepower delivered on the company's bus bars free of charge.

Reflected in Balance Sheet

This deal was reflected in the last balance sheet published as at December 31, 1929. Working capital was higher by about $1,676,000 at $4,779,828 with investments valued at $2,358,848 as compared with $884,412 in the preceding year. The terms of the lease also included a rider that the company may purchase an additional 4,000 horsepower at $15 a horsepower, an indication that power requirements may be increased at a future date.

The reason why Beauharnois Power paid a large sum for the water rights at Valleyfield lies in the fact that they possess considerable potentialities for the utility company. Though Montreal Cottons developed 8,000 horsepower at the site in question, operating under a 2 foot head, the same water, diverted to run into the new Beauharnois canal and over a head of 86 feet, can be utilized to great advantage by Beauharnois Power.

No Figures Published

Montreal Cottons will publish its financial statement for 1930 shortly. No figures on earnings have been made public during the year. There was no improvement in the textile situation last year, however, while the effects of the new tariff will not be reflected in earnings for 1930. Whether operating changes effected will result in improved profits remains to be seen.

Earnings of the company have shown a steady decline in the past four years, in common with the majority of cotton manufacturers. In 1929 sales of $4,704,906 yielded net earnings of $116,188 to which was added other income of $83,405 making a total income of $199,593. After bond interest and taxes there remained $166,447 as compared with preferred dividend requirements of $210,000. Dividends on the common stock amounted to $180,000 leaving a deficit for the year of $223,553. Balance forward was $633,515.

Dividends are Maintained

Both common and preferred disbursements have been maintained during the past year. The preferred stock pays 7 per cent and the common 6 per cent. The latter stock is quoted around 95 on the Montreal Stock Exchange.

Montreal Cottons has a diversified output of cotton goods. In the past few years the company has developed many lines of rayon weaves, in keeping with the trend of fashion, for which a good market has been established. Though the mill has been in operation since 1872 improvements and additions have been carried out from time to time which have kept the plant well equipped.

Though the tariff is expected to enable cotton manufacturers to obtain a larger share of the domestic market than has been the case heretofore, interests close to the textile industry do not look for an appreciable change until the early summer.

Can. Power, Paper Shows Present Status To Stock Exchange

Set Forth Position of Laurentide Series Debentures

LOW PROFITS IN 1930

Loans Heavy—Banks Said Not to Favor Any Payment of Dividends or Interest

From Our Own Correspondent

MONTREAL.—Upon request of the Montreal Stock Exchange, Canada Power & Paper Corp. has outlined its current position, especially in respect to the position of the Laurentide series debentures.

The company is understood to have been asked whether the present low price of the debentures (17) reflected the depression in the industry or if the debentures were unduly depressed. It was also specifically asked whether or not the Laurentide debentures were secured by the Shawinigan Water & Power Co. stock and cash received in exchange for Laurentide Power stock, or its equivalent in cash.

Two Series Alike

In a lengthy communication Canada Power & Paper went into detail as to the events leading up to the formation of the company. It was pointed out that the Laurentide Co. shareholders received one share of common stock and $100 debenture of Canada Power in exchange. The latter assumed all obligations of the former company and guaranteed interest payments, in return for which it took over the working capital of Laurentide.

At the same time St. Maurice Valley was taken over and later Port Alfred, Wayagamack and Anglo-Canadian. When Wayagamack was taken over, the shareholders of that company received Canada Power & Paper debentures known as the Wayagamack series.

It is definitely stated that the Laurentide and Wayagamack debentures share alike in every respect—the legal terminology being pari passu.

Shawinigan Stock Free

When Laurentide was taken over, the particular item among the working capital assets was a block of Laurentide Power stock. This stock was sold to Shawinigan on the basis of a share for share, plus a cash payment. As a result Canada Power received 72,000 shares of Shawinigan stock and $10,800,000 in cash.

Shortly thereafter (October, 1928) Shawinigan declared a 10 per cent stock dividend, bringing the holdings up to 79,200 shares. Since then the company has bought additional stock, increasing the amount to 100,000 shares, which, at current market prices, has a value of over $5,000,000.

A general misapprehension exists to the effect that the Laurentide de-

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Ford of Canada May Earn $2.25

Ford Motor Co. of Canada, which pays $1.25 a share on the Classes "A" and "B" shares combined, is expected to show about $2.25 a share to have been earned in 1930 on 70,000 Class "B" shares and 1,588,960 Class "A" no par value shares. This would compare with $3.15 a share earned in 1929.

Actual sales in 1930 were maintained at nearly the 1929 level of sales, according to a letter sent to dealers by W. R. Campbell, president, early in December last. This result he found especially encouraging in view of the fact that sales of all makes of cars in Canada had shown a 40 per cent drop to that time.

It is believed that Ford Motor Co. of Canada may follow the action of Ford Motor Co. of Detroit which has increased dealer discounts to a flat 22 per cent from a graduated scale ranging from 17½ per cent to 21 per cent in effect since April, 1929. This action is expected to be of great encouragement and a decided stimulus to the dealer organization, especially to small dealers in rural sections.

Offer $750,000 To Bondholders Of C. B. Electric

From Our Own Correspondent

MONTREAL.—Reports from the Martimes state that negotiations between the bondholders of Cape Breton Electric Co. and Nova Scotia Light & Power Co. are nearing completion. A tentative price of $750,000 for the light, power and distribution system of the Cape Breton company is mentioned and it is understood that bondholders will consider this proposal before making a definite decision.

Interest on the $1,096,000 first mortgage bonds of Cape Breton Electric Co. was not paid when it fell due in January. Bondholders have formed a protective committee. The present negotiations, if successful, will culminate a long struggle which has taken place in the Sydney utility field.

It is reported that the sale to Nova Scotia Power will not include the trams, ferry or other properties of Cape Breton Electric. It has been understood in the event of Nova Scotia Power taking over the property that only the distribution system would be acquired. Power would be purchased in bulk from the Seaboard plant of Dominion Steel and Coal Corp.

Canada's New Borrowings Decline One-Third in '30

United States Increases Her Proportion of New Capital Invested, at Expense of Great Britain —Canada Supplied 60 Per Cent of Total

Canadian borrowings at home and abroad during 1930 were about one-third less than in 1929, according to a carefully prepared estimate made for The Financial Post Year Book, 1931, by K. W. Taylor, M.A., associate professor of political economy, McMaster University, Hamilton. The 1930 figure is placed at $663,854,000 as compared with $1,014,976,000 in 1929. It is interesting that Canada absorbed 60.2 per cent of total borrowings, herself, a figure which shows virtually no change from the 60.6 per cent in 1929.

Great Britain's share in Canada's borrowing fell heavily, however, to $4,490,000 or .7 per cent of the total, as against 8.5 per cent in 1929. The United States increased her share from 30.6 per cent in 1929 to 39 per cent. The tabulation includes, in the main, only those issues record of which appeared in the financial papers, and issues of stock subscription rights similarly recorded. Short term borrowings (one year or less) were not included, nor were issues or parts of issues made for refunding or replacing long term securities.

NEW ISSUES OF CAPITAL IN CANADA, 1929-30

	Total	
	1930	1929
Government and municipal	$264,847,000	$ 201,608,000
Railways	102,238,000	247,815,000
Public utilities	181,393,000	145,721,000
Pulp, paper and lumber	2,696,000	46,981,000
Mining	30,341,000	38,953,000
Metal industries	21,077,000	35,778,000
All other industries	14,518,000	118,837,000
Trading establishments	10,755,000	52,539,000
Finance	14,146,000	106,020,000
Land and mortgages	21,843,000	20,724,000
Total	$663,854,000	$1,014,876,000

DISTRIBUTION BY COUNTRIES

	Sold in			
	Canada	Britain	U.S.A.	Other Countries
Government and municipal	$151,608,000	....	$113,239,000	....
Railways	39,860,000	....	62,378,000	....
Public utilities	126,266,000	$1,500,000	53,327,000	$ 300,000
Pulp and paper, and lumber	2,456,000	190,000	50,000	....
Mining	16,291,000	2,300,000	11,250,000	500,000
Metal industries	4,430,000	200,000	16,447,000	....
All other industries	14,018,000	....	500,000	....
Trading establishments	10,114,000	....	641,000	....
Finance and insurance	12,646,000	300,000	1,000,000	200,000
Land and Mortgages	21,843,000	....	....	....
Total	$399,532,000	$4,490,000	$258,832,000	$1,000,000
Per cent, 1930	60.2	0.7	39.0	0.1
Per cent, 1929	60.6	8.5	30.6	0.3

TAKE IN C—

Governments, municipalities, and public utilities during 1930 took advantage of the easy money markets, and these classes of issues showed substantial increases over 1929. Other groups, notably railways, pulp and paper, "other industries," trading establishments, and financial institutions borrowed very much less.

Bond Issues Increase

In 1929 a large part of the new financing was done through stock issues and stock "rights"—over $210,000,000 in "rights" alone. In 1930 sales of bonds (excluding refunding) totalled $550 000,000, while stock issues were only $33,000,000, and "rights" to shareholders, customers, and employees, $81,000,000. The principal subscriptions through rights in 1930 were Montreal Power, International Nickel, Consolidated Smelters, Aluminum Ltd., and the Bank of Nova Scotia. The only public stock issues of importance were Aluminum Ltd., Service Stations, Simpsons, and Calgary Power.

It is estimated that during 1930 $97,778,000 of Canadian securities owned abroad matured and were paid off, and an additional $9,900,000 held abroad were called for redemption.

New direct investments, i.e., direct purchase or building of plants or other capital assets, were not large during 1930. Numerous negotiations regarding new branch plants were reported, especially in the latter part of the year, but so far as can be ascertained at this time actual new direct

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IMPERIAL OIL PROFITS LESS IN LAST YEAR

South American Revenue Increase Offset by Prairie Troubles

DIVIDENDS COVERED

Spread Between Crude Prices in U. S. and Retail Rate Shows Decline Recently

Imperial Oil net earnings in 1930 were not equal to those for 1929 though gross business was well maintained. In 1929 earnings on 26,490,741 no par value common shares were equal to 99 cents a share but on 26,524,860 shares now outstanding the report due some months hence will show somewhat under this figure.

The special distribution of 50 cents a share made on Dec. 1, 1930, was accumulated revenue from foreign investments and was made without reference to current profits. There will, however, be ample profits to cover the 50 cent dividend and add to surplus of the company.

Two considerations have led traders to anticipate earnings above $1 a share for 1930. In the first place International Petroleum paid in dividends during 1930 about $14,524,088 as compared with $10,893,066 in 1929, and of this $3,631,022 increase it is altogether likely that Imperial Oil received $2,000,000. But $2,000,000 would only make a difference of 7½ cents a share in the earnings of the company though it accentuates still more the fact that now more than half of the revenue of the company comes from earnings made outside Canada.

Domestic Profits Down

Domestic earnings have suffered by reason of agricultural depression particularly in Western Canada where all types of business have had to create large reserves for bad debts and contingencies, and this has more than made up for the increase in foreign income.

Another reason for people expecting greater earnings on the common stock is that political criticism of the action taken by the Bennett Government at the September emergency session of Parliament in giving refiners protection of 2½ cents a gallon against imported gasoline has been accompanied by statements that Canadian refiners have been getting a larger spread between costs and selling price than at any time in the last five years. Even though the retail price of gasoline at Imperial Oil and other service stations of the chief competing companies has been reduced by one cent a gallon, recent articles have contended that the spread of profit has increased. That conclusion apparently is not supported by facts.

Profit Spread Declines

The following table shows the spread between Toronto service station average prices and the average price per gallon of 36 degrees Mid-Continent crude oil:

	Average Toronto Service Station Price (Ex. tax)	Average price per Imp. gallon Mid-Continent Crude Oil	Spread
1926	28.75	5.92	22.83
1927	24.67	4.20	20.47
1928	23.40	3.89	19.51
1929	23.40	3.77	19.63
1930 (8 months)	23.00	3.54	19.46

From these figures it will be noted that the spread was smaller in the first eight months of 1930 than in 1929 and was also smaller than at any time in the last five years. One writer finds an increase in the spread by comparing average Toronto service station price, less tax, with the average tank car price of gasoline at United States refineries. With

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IMPERIAL OIL PROFITS LESS IN LAST YEAR

(Continued from page 1)

such a comparison he showed an increase in the spread from 13.27 cents a gallon in 1929 to 15.74 cents for the first eight months of 1930. His average tank car price is affected by all the distress gasoline sold by small refiners and the consequent declines in price by larger refineries to meet the competition in 1930 until the tank car price represented a price below cost. Such a comparison would make it appear that spread of profit had increased by 2.53 cents a gallon instead of actually declining.

The Financial Post believes that it is fairer to Canadian refiners to compare their retail prices in Canada with the posted prices of crude oil in the Mid-Continent field through the year as these represent what they have had to pay for their crude oil. It is also the only safe way of judging whether the companies have been able to get increasing or declining profit between cost and selling prices.

There is another way of trying to get a rough idea of costs. Over and above the cost of crude oil at the well there are many and varied expenses before the Canadian pays for gasoline at the service station. The following table represents approximately the distribution of these costs:

	Cents per Imp. gallon
Rail freight to Toronto	5.54
Sales tax	.15
Tank wagon cost	4.
Service station cost	5.
Present price of crude	2.95
Cost except refining	17.64
Retail price, less tax	23.

What Duty Does

The spread between 17.64 cents and the retail price of 23 cents is 5.36 cents a gallon. This represents the amount available to the United States or Canadian refiner for gathering the crude from the field to deliver to the refinery and all refining costs including depreciation on the regulation investment in refining equipment, manufacturing costs and the profit to the refiner. When the gasoline is refined in the Mid-Continent field and the United States refiner has also to absorb a duty of 2½ cents a gallon, his margin is reduced to 2.86 a gallon and he cannot ship into Canada at that figure.

To some the allowing of 4 cents a gallon for tank wagon costs and 5 cents a gallon for service station costs may seem to be excessive. However, the average service station costing $25,000 finds that wages and depreciation alone account for 4 cents a gallon of the cost, and tank wagon costs are an average of all tank wagon costs. These are zoned, the far-travelling wagons costing most. The importing of the crude oil by oil tanker, tank car and by pipe line by Canadian refiners simply removes the refining to Canada, saves the duty and gives work to Canadians who are better paid than workers in most United States refineries but does not change essentially the costs indicated in the above table, though refining costs are higher in Canada because the fuel equivalent in crude costs more to bring it to Canada.

How refining profits in the Mid-Continent field have dwindled until they disappeared is well shown by a study of the changing spread between the price at the well for Mid-Continent crude and the wholesale price of gasoline for some years back. The spread is as follows: 7.41 cents an Imperial gallon in 1925; 6.54 cents in 1926; 4.02 cents in 1927; 5.28 cents in 1928; 5.08 cents in 1929; and 3.31 cents in 1930, when wholesale prices dropped to a point where they are called by the industry "bankrupt prices."

Refining Troubles in U. S.

Reductions since December in the posted price of Mid-Continent crude oil, according to an article in The Oil and Gas Journal, has not yet brought about a position where the refiner has a profit margin. The drops in crude prices have been forced by the drops in refined oil prices below the cost level. It is admitted that every refining plant presents a different problem but The Oil and Gas Journal summary of the average results shows a loss based on skimming crude in a 5,000 barrel modern topping unit of 30 cents a barrel, a loss in a 5,000 barrel balanced plant based on skimming and cracking of 12 cents a barrel and a loss in a 5,000 barrel plant for completely refining crude oil of 21 cents a barrel.

Canada is protected against that situation by a duty of 2½ cents a gallon, but the duty apparently has not permitted quite the same percentage of profit per gallon as was obtained in 1929. It is understood that much of the refining now done in Canada shows no profit at all and in some plants there is an actual loss.

DEFINITE MOVE ON TO BREAK NEWSPRINT PRICES

(Continued from page 1)

further strengthened by the fact that unless some of the companies secure a greater volume of business than in 1930, it will be very difficult for them to make ends meet.

Being in a position now where the manufacturer has to come to the publisher, the latter have not been slow in getting a move under way to lower prices.

It is understood that the Hearst interests have been active in this regard. At present the Hearst organization collectively consumes a larger proportion of the American newsprint consumption than any one other buying or consuming organization. A cut in price, accordingly, is of importance to that group.

At present Hearst has contracts outstanding for roughly 540,000 tons a year. These contracts are placed as follows: Algonquin Paper Co., 27,000 tons; Wisconsin Pulp and Paper, 24,000 tons; International Paper, 140,000 tons; Great Western Paper, 3,000 tons; Hennepin Paper, 2,400 tons; Canada Power and Paper, 110,000 tons; St. Lawrence Corp., 141,000 tons. With the exception of approximately $56,000 tons, this paper is all secured from Canada.

This paper is bought by the Newsprint and Magazine Paper Corp., which in turn sells it to the Hearst papers. An important point is that the Hearst papers individually can buy in the lowest market. Accordingly these papers are at liberty to shop for their newsprint requirements.

Sliding Scale Basis

Newsprint & Magazine Paper Corp. (Hearst organization) has long-term contracts with these producers based on the payment of the ruling market price. If the A. N. P. A. members, or Hearst papers, can secure their paper below the prevailing market price, then the producers will have to adjust their schedules.

Apparently some of the papers have already been able to break the price and the Publishers' Association is enquiring of the major producers their "judgment as to the amount of tonnage required to indicate a decline in the general newsprint market."

Steady Price Necessary

Every effort is being made by the Canadian manufacturers to hold up the price. It is imperative that the schedule be held at the present level. Any break in contract prices will have a serious effect on the financial position of some of the operators, if not all.

As long as the producers can stand together, it may be possible to withstand any attempt to break prices. At present much pressure is being brought to bear and the fear is that one or more of the larger producers may break from the ranks.

Operations Discouraging

It will be recalled that the Newsprint Service Bureau figures for December showed that the Canadian mills were operating at less than 60 per cent of capacity. Bearing in mind that this means a production considerably below that figure for members of the Newsprint Institute of Canada, it is apparent that the members cannot stand any downward change in prices on the present volume of business.

The January returns will not be available until the beginning of next week. An unsatisfactory report is anticipated.

There is little that the Canadian producer can gain by cutting prices, as the major share of the American publishers' newsprint requirements are on long-term contracts. The floating supply is relatively small. By a united front the producers can maintain the price on this floating demand and in turn keep up contract prices. But if price cutting makes any headway on the "free" market, it may be necessary to adjust contract rates in order to conform with agreements—a step which would further weaken the already weak position of the Canadian producers.

Canada's New Borrowings Decline One-Third in '30

(Continued from page 1)

investments were about $17,700,000. Of this, $5,000,000 is an estimate for new foreign money in real estate mortgages, and the balance the amount actually invested in new branch plants or substantial extensions to old ones.

Purchases of old Canadian securities were substantial during 1930. There has been greater interest in England in certain Canadian stocks. Some American interests have been expanding aggressively in Canada. Borden's, for example, has acquired for cash or through exchange of stock several large dairy companies. Paramount has resumed control of Famous Players Canadian Corporation. Imperial Tobacco, controlled in England, secured control through exchange of stock of the Tuckett Tobacco Co., formerly affiliated with American interests. Various British and American investment trusts have been accumulating substantial blocks of various Canadian securities.

The following table summarizes the above noted changes in outside investments in Canada during 1930:

CHANGES IN OUTSIDE INVESTMENTS IN CANADA, 1930

	Total	British	United States	Other Countries
New issues sold abroad	264,322,000	4,490,000	258,882,000	1,000,000
New direct investments	17,700,000	6,700,000	10,000,000	1,000,000
Purchases of old secs. (net)	54,500,000	5,000,000	47,500,000	2,000,000
Total new investments	336,522,000	16,190,000	316,332,000	4,000,000
Repay. and redempt.	107,678,000	25,280,000	80,407,000	1,991,000
Net new invest., 1930	228,844,000	—9,090,000	235,925,000	2,009,000
Net new invest., 1929	274,366,000	13,339,000	260,434,000	593,000

Bessborough Has Canadian Interest

Canada's new Governor-General, the Earl of Bessborough, is joint chairman of Uni-Lever Co., a holding company controlling Lever Bros. Ltd., the parent company. Through this connection the new Governor-General is interested in Canadian industry, since the Canadian company, Lever Bros., Ltd., is controlled indirectly by Uni-Lever Co.

Uni-Lever Co. also controls Margarine Union Ltd. and N. V. Margarine Unie, the Earl of Bessborough being chairman of both companies. The holding company acquired control of the Lever interests during 1930. The parent Lever company was interested in or controlled some 200 associated companies, of which the Canadian company was one. The Canadian subsidiary, with head office and plant in Toronto, maintains branches in Montreal, Winnipeg, Calgary and Vancouver and has complete national distribution for its soap and glycerine products.

B. A. OIL CO. SALES KEEP UP, EARNINGS DOWN

(Continued from page 1)

had been fully up to expectations of the company except in so far as results were curtailed by pro-ration.

British-American Oil Co. is definitely interested in the recommendations to be made by a committee to the United States Senate that a duty on crude oil entering the United States should be imposed. Crude oil producers in Oklahoma argue that shutting out of foreign supplies would permit greater realization of crude available in the United States, and British American Oil Co. would benefit if this hope proved true.

There are strong interests opposed to such a duty, however. They state that imports are 10 per cent of the total consumed and that there are exports of 15 per cent of the total. The exporters fear that a duty on crude oil would bring reprisals and a price war for their foreign markets which would more than counterbalance any gain from shutting out imports. There will be, however, for British American Oil far more than enough from their present wells at present rates to pay debenture interest. If the company earns $1,000,000 from this source interest would require only $250,000, and it could avail itself if it so desired of the right to call $500,000 or more of the debentures by lot upon 70 days' notice at 105 and accrued interest on or before March 1, 1933.

Prospects for 1931 are better than for 1930. The raising of the duty on gasoline to three cents a gallon has stopped the dumping of Pennsylvania gasoline, and though Canadian companies have dropped gasoline price one cent a gallon under prices obtaining generally before the duty was raised, the larger market is expected to compensate and the occasional spots where gasoline was sold under cost are being eliminated.

Mathews Steamship is Bankrupt

Mathews Steamship Co. has been adjudged bankrupt and F. C. Clarkson has been appointed custodian. The order was made on petition of the Toronto Dry Dock Co. Action brought by the Montreal Trust Co. and the National Trust Co. on behalf of the bondholders of the company resulted in the appointment of G. T. Clarkson as receiver and manager on January 8.

Mexican Light & Power Not Asking Intercession

Despatches from Mexico City to the effect that Mexican Light & Power Co., which is incorporated in Canada, might seek the intercession of the United States Department of State in tax disputes with the Puebla government are entirely wide of the mark. The Financial Post is given to understand that the company has not the slightest intention of applying for such intercession.

Tax disputes have been quite common in connection with the affairs of all the large foreign-owned companies in Mexico. It is interesting in this connection to note that financial statements of this company for years back has shown large amounts due from governments for power and lighting.

The despatches from Mexico City stated that President Ortiz Rubio of Puebla had named a committee to investigate accusations lodged against the company by a group of professional men that the company is monopolizing 28 rivers.

CAN. POWER, PAPER SHOWS PRESENT STATUS TO STOCK EXCHANGE

(Continued from page 1)

bentures are in part secured by this block of Shawinigan stock and the cash payment, but such is not the case. The trust deed specifically mentions the security for the debentures, and the Shawinigan stock and cash is not included therein.

Mention is made in the letter of the problems which have confronted the industry in the past two years. It is stated that the Laurentide Co. shareholders are just as well off today, as if they had still retained their stock. If the Laurentide Co. was still in existence, it is claimed that the company would not be able to earn sufficient money to pay dividend.

Heavy Payments to Meet

The current position of Canada Power is gone into detail. It is pointed out that one of the liabilities incurred in taking over Laurentide, was the completion of the payments in respect to the timber limits owned by the Laurentide-Ottawa Co.

Between now and next June, Canada Power will have to meet payments of $5,700,000 to conclude this transaction. Just how and where the money will be raised is not stated.

Bond Laurentide Co.

It is understood that payments made on this property last year were effected through bank loans, secured by Laurentide bonds created for the purpose. These bonds were placed on the Laurentide Co. property, which prior to acquisition by Canada Power had no bonded debt.

No mention is made in the communication to the Stock Exchange whether or not the Shawinigan stock has been hypothecated with the banks on a loan.

Earnings in 1930

It is reported that operations were carried on at between 55 and 60 per cent of capacity during the past year. Earnings are understood to have been within $400,000 of covering bond interest, debenture interest and preferred dividends, but before providing for depreciation, which amounted to $2,521,878 in 1929 without taking into account Anglo-Canadian Pulp & Paper Mills.

There was a surplus of $125,000 after taking care of the above charges in 1929. Since that time, however, capitalization of the company has increased.

Bank Loans Higher

Current working capital position is said to be satisfactory. Bank loans, however, are higher. At the end of 1929 they amounted to $7,903,750.

It is to be gathered from the general tenor of the letter that the banks are not in favor of advancing more money to the company unless steps are taken to defer payment of the preferred stock dividends and the interest on the debentures.

It is understood that the Board has not decided on any policy in this matter. Apropos, however, it is generally bruited in financial circles that the management will not pay the preferred dividends in the next quarter and that the debenture interest, accordingly, will have to be deferred.

The letter to the Montreal Stock Exchange lays stress on the favorable long term outlook for the company. It is pointed out that in 1934, when the Hearst contract, comes into effect, the company will be in a very favorable position in so far as tonnage is concerned.

Contract referred to covers all the Hearst newsprint requirements for a period of 15 years. It was entered into between the Hearst buying organization and the Dominion Newsprint Co. Canada Power & Paper has a stake in the latter company, through an exchange of stock.

Dominion Newsprint Co. was formed primarily for the purpose of establishing a 1,000 ton newsprint mill in Newfoundland on the Grand River property. In view of the present unsettlement in the industry, this project has had to be postponed for an indefinite period.

Meanwhile the Hearst contract has been taken over by Canada Power & Paper. No details are available as to the exact amount involved in this agreement, but it probably runs into several hundred thousand tons, inasmuch as Hearst's newsprint requirements are in the neighborhood of 540,000 tons per annum.

In Financial Circles

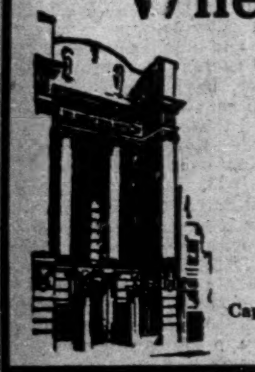
J. M. Scott Opens Branches

J. M. Scott, Jr. & Co., members Standard Stock and Mining Exchange, announce the opening of branch offices in Hamilton and Kitchener, Ont., connected by direct private wire with Toronto. The Hamilton office will be under the joint management of Frank Parker and William Easson, well known in mining and brokerage circles. The Kitchener office will be under the management of H. O. Feick.

Forms New Brokerage House

H. B. Housser & Co. is the name of a new Toronto Stock Exchange house, whose members are Harry B. Housser, Rex Davison and Frank J. Phelan. The new firm takes over the stock brokerage business of Housser, Wood & Co., which will continue to carry on its investment banking business.

Canadian National Railway Company
4½% Bonds due February 1st, 1956
(Non-Callable)
Dominion of Canada Guaranteed
PRICE: Market, yielding about 4.60%
(Plus accrued interest and transfer tax)
R. A. DALY & CO.
LIMITED
80 KING STREET WEST
TORONTO



When Travelling—
take your funds with you in convenient and readily convertible form. Secure a Letter-of-Credit at any branch of this Bank.
THE BANK OF NOVA SCOTIA
Established 1832
Capital, $12,000,000. Reserve, $24,000,000.
Total Assets over $265,000,000.

THE
Western Empire Life
ASSURANCE COMPANY
EXTRACTS FROM 1930 REPORT
Assets $ 2,003,662.92
Premium and Interest Income $ 387,108.66
Policy and Special Reserves $ 1,495,377.00
Insurance Issued $ 2,950,964.00
Insurance in Force $13,002,126.00
The increase in insurance written in 1930 over 1929 was 41%
The high interest earnings of the Company — almost exactly 7% on the mean ledger assets—the very favorable mortality experience and the moderate expenses are again reflected in the satisfactory profits being paid to Policyholders.
Write for Copy of Annual Report
HEAD OFFICE - WINNIPEG, MAN.
R. W. Craig, K.C. President
Brig.-Gen. H. M. Dyer Vice-President
F. C. O'Brien General Manager

For Style And Comfort
Choose *Birkdale*
Birkdale shoes are made by Canada's leading shoe manufacturers of selected high grade calf and kid leathers in a wide choice of popular lasts. They offer an added measure of value at their moderate pricing. Sizes 5½ to 12.
Birkdale Shoes For Men
Pair $7.00
SECOND FLOOR, QUEEN AND JAMES STREETS
T. EATON CO LIMITED

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WILLS, BICKLE & ROBERTSON
Members Toronto Stock Exchange
STOCKS - BONDS
25 King Street West, Toronto
Telephone: WAverley 4561

Penmans LIMITED
Manufacturers of High-Grade
KNITTED UNDERWEAR, HOSIERY, AND OUTERWEAR
Mills at: PARIS, BRANTFORD, LONDON, WATERFORD, ONTARIO; COATICOOK and ST HYACINTHE, QUEBEC.
General Offices, Paris, Ont.
Selling Agents to Wholesale Trade:
JOHN GORDON & SON, LIMITED, Toronto and Montreal
PEN ANGLE KNIT GOODS
SALES OFFICES TO RETAIL TRADE:
Montreal, Quebec, Toronto, Ottawa, London, Hamilton, Halifax, Saint John, N.B.
AGENTS:
Bryce & Co., Ltd., Calgary, Winnipeg, Vancouver.
EXPORT REPRESENTATIVES:
S. Elliott & Co., St. John's, Nfld.
H. W. Airey, Ltd., Auckland, Dunedin, Wellington, N.Z.
L. C. Carrick, Johannesburg, South Africa.
Hugh Scott-Young, Melbourne, Australia.
Liddell & Mitchell, Glasgow, Scotland.
Taylor & Shelmerdine, Manchester, England.
W. J. Cutcliffe, London, England.
H. G. Taylor & Co., Bristol, England.
A. Lowry, Belfast, Ireland.
Wilson & Johnstone, Ltd., Port-of-Spain, Trinidad.
Lester W. Huddle, Kingston, Jamaica.
H. P. Surrey, Shanghai, China.

HARRY B. HOUSSER
FRANK J. PHELAN
REX F. DAVISON
ANNOUNCE THE FORMATION OF THE FIRM OF
H. B. HOUSSER & CO.
MEMBERS TORONTO STOCK EXCHANGE
WHO HAVE TAKEN OVER AND WILL CONDUCT THE STOCK BROKERAGE BUSINESS FORMERLY CARRIED ON BY THE FIRM OF
HOUSSER, WOOD & CO.
LIMITED
INVESTMENT BANKERS
ROYAL BANK BLDG. TORONTO
THE INVESTMENT BANKING BRANCH OF THIS BUSINESS WILL BE CONDUCTED UNDER THE ABOVE NAME AS HERETOFORE
FEBRUARY 10, 1931 ELGIN 7193

FOR WEST INDIAN BUSINESS
Through its interest in BARCLAYS BANK (Dominion, Colonial and Overseas) the BANK OF MONTREAL is directly represented in the West Indies and British Guiana. It is in a position to facilitate Canadian trade in that part of the world.
BANK OF MONTREAL
Established 1817
Total Assets in excess of $800,000,000

Atlantic Sugar Refineries
LIMITED
Lantic Sugar
General Offices
485 McGILL STREET
MONTREAL
Refineries - Saint John, N.B.

FOREIGN POWER SECURITIES CORPORATION, LIMITED
President: A. J. NESBITT Vice-President: JAS. B. WOODYATT
Directors:
A. J. NESBITT L. C. HASKELL E. R. PARKINS, K.C. P. A. THOMSON
GUY M. TODD JOS. VERSAILLES JAS. B. WOODYATT
Sec.: L. C. HASKELL Treas.: CHAS. JOHNSTONE

Balance Sheet as at October 31st, 1930
ASSETS

Investments at Cost*	$11,598,342.12
Cash and Call Loans	1,280,367.99
Bills Receivable due January 31st, 1931	166,271.90
Accrued Interest	78,753.31
Prepaid Accounts	2,809.40
Discount on Bonds	292,500.00
	$13,419,044.72

*On the basis of quoted market prices, and including certain unquoted foreign securities at cost, the value of the Corporation's investments at October 31, 1930, was $11,913,019.50.

LIABILITIES

To the Public:		
First Collateral Trust 6% Convertible Gold Bonds, Series "A" Authorized $50,000,000.00		$5,000,000.00
Bond Interest Accrued		125,000.00
Preferred Dividend, payable Nov. 15th, 1930		75,000.00
Accounts payable		1,400.06
Provision on account of Income Tax		50,000.00
		$5,251,400.06
To the Shareholders:—		
Preferred Stock:*		
Authorized—50,000 Shares $100 each.		
Issued —50,000 Shares $100 each		$5,000,000.00
Common Stock: (of No Par Value)		
Authorized	250,000 shares	
Less: Held for exchange of Stock Warrants and conversion of Bonds	125,000 shares	
Outstanding:	125,000 shares	
Representing equity in Capital & Surplus		3,167,644.66
		$13,419,044.72

*(Redeemable in whole or in part at $105 per share on any dividend date after 30 days notice.)
Approved on behalf of the Board: A. J. NESBITT, JAS. B. WOODYATT } Directors.
Audited and certified in accordance with our certificate dated January 12, 1931.
(Signed) PRICE, WATERHOUSE & CO., Auditors.

Revenue Account for Year Ending October 31st, 1930

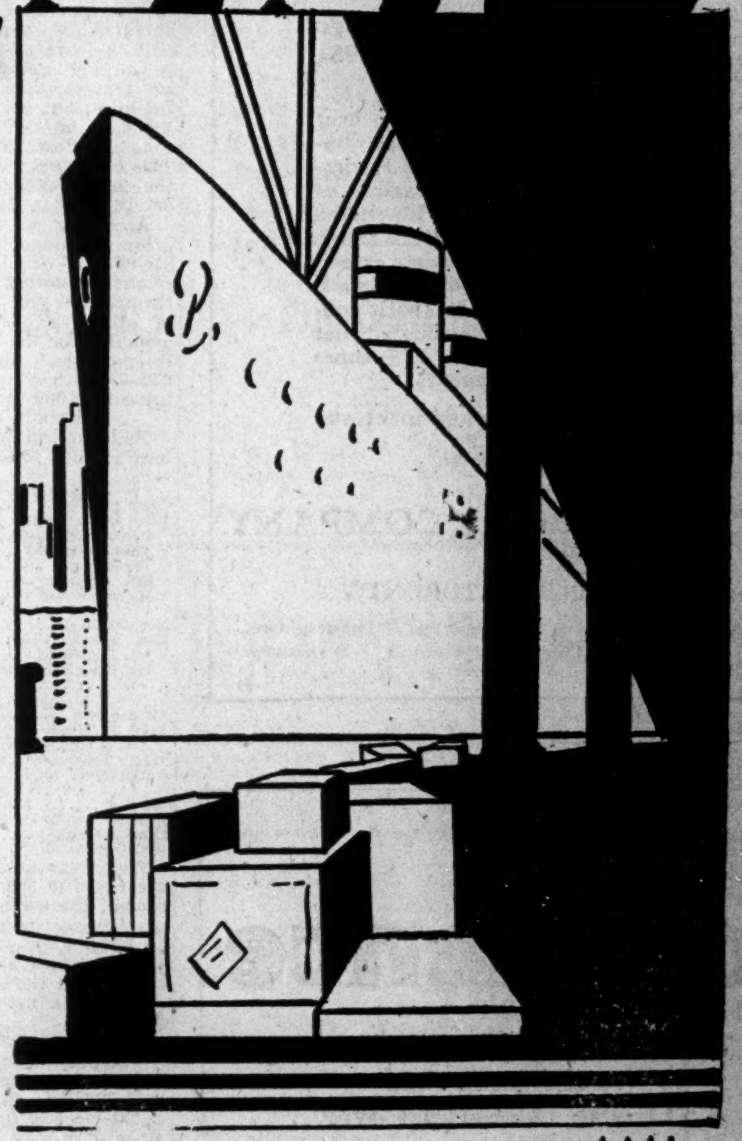
Dividends and Interest from Investments		$556,788.42
Profit from Investments Realized		241,299.89
Interest	$300,000.00	
Expenses	62,628.67	
Balance	435,459.64	
	$798,088.31	$798,088.31

Profit and Loss Account for Year Ending October 31st, 1930

Balance at Credit October 31st, 1929		$563,435.02
Earnings for year ending October 31st, 1930		435,459.64
Discount on Bonds	$16,250.00	
Dividends on Preferred Stock	300,000.00	
Dividends on Common Stock	125,000.00	
Provision on account of Income Tax	50,000.00	
Balance at Credit October 31st, 1930	507,644.66	
	$998,894.66	$998,894.66

The Perils of Heir Transportation
—are nowhere more vividly demonstrated than in a situation like the above. There's poor old father taking little Willie for a ride—at the cost of being drawn and quartered by pyjamas that are too tight for him. Every indulgent father will groan for Willie's papa. And every male—be he son, father, brother or grandsire—ought to know about Store for Men Pyjamas.
Store for Men Pyjamas are designed for comfort, you see—wide in the legs and wide in the seat—so that almost under any conditions you'll find them the acme of comfort. In broadcloth—fancy or club striped. At
$2.50
Street Floor Store for Men
THE ROBERT SIMPSON COMPANY LIMITED

MONTREAL LA PRESSE



Business is Good in Quebec

GO AFTER IT!

In these times, when the whole world is in depression and some parts near bankruptcy, the good old province of Quebec (beloved by all who know it) again reports a large surplus.

For the last fiscal year, the Quebec Government reports a surplus of $4,210,230.00 and the Provincial debt has been reduced!

Advertisers are invited to come to Quebec Province—where the money is, where there is next to no labor trouble, very little other than seasonal unemployment and a solid, happy people.

To the sterling old-fashioned virtues of the hardy, French Canadian race are due much of the steady and great prosperity of Quebec Province.

Remember—Quebec Province as a whole is over 82% French speaking and reading and Montreal is 71% French speaking and reading.

The only way to reach these people is by advertising in French publications—the largest and most influential of which are unquestionably Montreal La Presse (Daily), La Presse Coloroto Magazine and Farmers' Weekly La Presse.

Put the emphasis on FRENCH advertising in Canada's Metropolis—Montreal—and also in Quebec Province and you will get results. Do not expect much results if you merely advertise in English!

QUEBEC

POWER...
and Canada's Growth!

THE development of hydro-electric power sites in Canada has speeded our industrial growth. Provision for future power requirements is based on the inevitable needs of a growing country.

We recommend

Maclaren-Quebec Power Company

30-Year 5½% First Mortgage Sinking Fund Bonds - due 1961

The Company plans to develop 245,000 h.p. on the Lievre River, near Ottawa. 86,000 h.p. is already installed. Contracts with The Hydro-Electric Power Commission of Ontario and The James MacLaren Company Limited will absorb 191,000 h.p. These contracts extend beyond the maturity of the bonds and total delivery under both contracts will provide estimated net earnings equivalent to 2.19 times bond interest requirements.

Price: 94 and accrued interest to yield 5.93%
(plus transfer tax)

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LIMITED
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Confidence

Canadians now have invested in Huron & Erie Trustee Debentures over

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5% per annum payable half-yearly for 1 to 5 years

The Huron & Erie MORTGAGE CORPORATION
"Older than the Dominion of Canada"

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Quality Engraving—the Essential Safeguard in Monetary Documents

"They Shall Not Pass"

That is what finely engraved bonds or stock certificates say to counterfeiters.

In effect the certificates are a treaty with the holder. If they cannot resist the invading counterfeiter, the treaty becomes a "scrap of paper" — defeating the whole issue.

Bonds and stock certificates achieved by us are safeguarded by the utmost quality the engraving art affords. They make "they shall not pass" an impregnable command to counterfeiters.

CANADIAN BANK NOTE
COMPANY OTTAWA LIMITED
Montreal — Branch Sales Offices — Toronto

Utilities and Transportation

Shawinigan's Statement Reveals Strong Position Earns $2.65 Per Share

Many Records Set Up During Past Twelve Months

BIG CASH RESOURCES

Minor Drop in Production—System Extended—Work on St. Maurice Progresses

From Our Own Correspondent

MONTREAL.—Shawinigan Water & Power Co.'s report for 1930 is one of the strongest presented to the shareholders in many years. Not only is there a substantial increase in working capital, assets, expansion of transmission and distributing facilities, but share earnings are in line with an earlier forecast of The Financial Post, namely, $2.65 a share. This compares with $2.34 a share on the same amount of common stock outstanding in 1929.

According to the annual report gross earnings for 1930 totalled $14,954,075—the largest ever reported and comparing with $13,475,863 in the previous year. After taking care of all prior charges, net revenue available for the distribution on the common stock amounted to $5,770,670— another new high mark and some $663,000 more than in 1929.

Details of Income

Full particulars of the profit and loss account follows:

	1929 $	1930 $
Gross revenue	13,475,862	14,954,075
Less: Oper. expense	950,758	1,014,657
Power purchased	1,224,814	1,387,318
Main. & repairs	925,750	835,645
Taxes & ins.	447,545	538,256
Gen. expenses	862,209	854,252
Water storage rent	299,053	302,469
Net earnings	8,765,733	10,021,477
Less: Depreciation	800,000	800,000
Int. funded debt	2,695,673	3,450,807
Int. due Laurentide Co.	162,081	......
Net revenue	5,107,979	5,770,670
Less: Dividends	4,317,603	5,445,625
Res. & sink. fund Fire insurance Employees fund	952,002	......
Surplus	*611,626	325,045
Brought forward	1,475,653	1,010,347
Carried forward	1,314,027	1,335,392

*Deficit.

Numerous and important changes are noted in the balance sheet position of the company. With current assets exceeding current liabilities by $14,309,000—the working capital position of the company is unusually strong. At the end of 1929 the company had a net working capital of $2,800,000.

Sharp Gain in Assets

Total assets of the company at the end of 1930 amounted in value to $172,990,215, up from $146,186,607 at the close of the 1929 year. Large sums of money have been spent on new power developments over the past year and $82,10,015 is credited to this item, a gain of roughly $8,500,000. Additional machinery was installed, increasing the value of this asset from $20,693,067 to $22,032,126. Transmission and distribution systems are now shown on the books at $30,582,132, compared with $28,014,012 at the end of 1929.

Securities of subsidiary and other companies held by the company have advanced from $28,833,868 to $32,174,180.

Total value of fixed assets as at December 31, 1930, was $155,668,342, after providing for a capital reserve of $11,220,111. On the same basis, fixed assets at the end of 1929 had a value of $139,924,500.

Current assets are known in the 1930 accounts at $17,321,875, up from $6,262,107. The large increase is explainable by the inclusion of the unexpended portion of the funds received from the new financing carried out during the year.

Details of current assets, show moveable plant and stores valued at $1,132,716, or nearly $200,000 less than in the previous year. Prepaid charges show a slight increase to $330,531, while accounts receivable are down over $600,000 at $1,925,311. Call loans, time deposits and temporary investments are carried at the substantial figure of $12,302,092, as against $1,000,000 in 1929. Cash in bank and on hand shows a gain of approximately $600,000 at $1,531,221.

Change in Debt

On the liabilities side of the ledger sheet it is noted that the funded debt has been increased from $58,974,000 to $85,215,000. During the year the company issued $35,000,000 of new bonds, the proceeds of which were used to retire the funded debt of the old Laurentide Power Co., and to provide for capital expenditures.

Current liabilities made up of accounts payable, bond interest and dividends, remains about the same at $3,012,016.

There has been no change in the amount set aside for the reserve account, which stands at $2,000,000. Contingent and insurance fund has been increased from $816,691 to $835,408. Depreciation and renewal reserve stands at $8,473,952, compared with $7,701,511.

Covers Year's Operations

The many changes and activities of the company for the past year are covered in the statement of the president, Julian C. Smith, to the shareholders. This report reads, in part, as follows:

In March the directors sold $15,000,000 Series "C" 5 per cent First Mortgage and collateral trust sinking fund gold bonds. Part of the proceeds was used in connection with the new unit at Grand'Mère, works on the Upper St. Maurice, transmission lines, additions to the chemical plant and for extensions and betterments to the company's distribution system. In October $20,000,000 Series "D" 4½% first mortgage and collateral trust sinking fund gold bonds were sold. From the monies received the outstanding bonds of Laurentide Power Company Limited amounting to $7,851,000 were redeemed and the mortgages on that company's properties discharged, in order to consolidate the properties of the two companies.

The balance of cash remaining from the sale of these bonds will be used to meet capital expenditures covering the general development of the system, including the new unit at La Gabelle, extensions to transmission lines and also the development work in the Upper St. Maurice River. The market subsequent to the sale of these bonds indicated the wisdom of the company in having taken advantage of the favorable conditions of the time of the sale and the company as a result is in the very satisfactory position of being fully financed for the year 1931.

The 2,178,250 shares of the company are now held by 17,754 shareholders, an increase of approximately 1,700 since the last annual report. Of the outstanding shares approximately 73% are owned in the Dominion of Canada by 14,926 shareholders. It is interesting to point out that at the end of 1924 the 200,000 shares of $100 par value then registered were held by 3,892 shareholders, of which shares 69.75 per cent were held in the Dominion of Canada by 2,830 shareholders. Of the outstanding shares, 1,387,332 shares or 63.7 per cent are now held in the Province of Quebec as compared with 121,066 shares or 60.5 per cent in 1924.

Output Off Slightly

During the year 1930, 3,276,114,085 kilowatt hours were generated and delivered. This shows a decrease of 5.33 per cent as compared with the figures of 3,460,531,057 for 1929. The peak load for 1929 was 722,000 h.p. and for 1930, 731,000 h.p. Although there has been a slight decrease in the kilowatt hour output, owing to the lower load factor of the paper companies' operations, there has been no corresponding decrease in the company's power revenue.

The company has in operation 3,870 miles of transmission and distribution lines as compared with 1,622 miles in 1924 and is giving service either directly or through subsidiaries to 103,000 customers, or, at a conservative estimate, to a population of over half a million people. The company now serves (including the island and district of Montreal, through the sale of power to Montreal, Light Heat and Power Consolidated) 406 cities, towns and municipalities having a total population of well over 2,000,000 people.

Retail Business Larger

The company's distribution business has increased by over 100 per cent within the last five years and the shareholders can be assured that this division of the service is being developed to its fullest extent, not only to increase the use of power for industrial purposes but also for lighting and electrical appliances of all kinds.

The directors of the company have for many years past not only made provision for an adequate supply of power to meet ordinary increase in demands but have fully anticipated the future requirements of the districts served. With the rapid growth of the company's business there has been no lack of power and the development of the Rapide Blanc on the St. Maurice River is a continuation of this policy. It is anticipated that, before the supply of new power from Rapide Blanc is available, the present margin of excess capacity of the Shawinigan Company, which is not great, will be absorbed and that there will exist during the fall of 1932 a demand on the company's system for a substantial part of the output of the Rapide Blanc development.

Bring In Industries

The active part the company is taking in the industrial development of the province can in no way be better illustrated than by pointing out the fact that during the past eighteen months there have been established within the district served by the company and its subsidiaries 21 small industries, giving employment to 1,685 employees and calling for the delivery of approximately 6,500 h.p. The annual wage roll of these industries will, it is estimated, exceed $1,500,000.

Renew Power Contract

The directors would call the attention of the shareholders to the fact that the contract for the supply of power to the Montreal Light, Heat & Power Consolidated, which would have been due for renewal, under ordinary circumstances in January, 1936, was renewed in January, 1931, for a period of thirty-six years, on mutually satisfactory terms.

Shawinigan Chemical Outlook

The plants of the Shawinigan Chemicals Limited during 1929 were employed to practically their full capacity and this scale of operation continued during the early part of 1930. During the latter months of the year these plants were operated at less than full capacity, owing to the lessening demand for the products of the company. Notwithstanding this condition, the company earned for the year a substantial amount above its requirements for operating expenses, fixed charges and depreciation. The extension and improvements proposed in last year's report have been completed and the anticipated lessened cost of production realized. While it is impossible to make forecasts of the operations of the company during the present year, a considerable part of the output is under contract, and, the demand for chemical products increase to any substantial degree, satisfactory results will be obtained.

The number of products manufactured by the chemicals plant has increased and now includes the following: — Calcium, carbide, acetic acid, ethyl, acetate, butyl acetate, amyl acetate, paraldehyde, crotonaldehyde, acetylene black, hydrated lime and vinyl acetate.

New Construction Work

The construction of a storage dam at Toro Rapids on the Mattawin River, for the Quebec Streams Commission, was completed in October, 1930, and water is now being impounded. The company will begin to benefit from this storage to a large extent in the fall of 1931. particularly from the operation of the new units at Shawinigan Falls, Grand'Mère and La Gabelle.

The 25,000 h.p. unit mentioned in the last annual report as being installed at Grand'Mère is now in service. The 30,000 h.p. unit at La Gabelle is in process of construction and will be completed and placed in operation in the spring of 1931.

Director, Montreal Power

SEVERE GODIN, JR.,
who has just been elected a director of Montreal Light, Heat & Power Consolidated. Mr. Godin is well known in financial circles and a director of several companies. He is also secretary to Sir Herbert Holt, president of the Royal Bank of Canada.

FOREIGN POWER PROFITS IN 1930 ON LOWER SCALE

After Paying All Charges Necessary to Cut Into Surplus

From Our Own Correspondent

MONTREAL.—After taking care of all charges, Foreign Power Securities Corp. reports a cutting down in the profit and loss account balance from $563,435 to $507,644 for the year ended October 31, 1930.

Income account shows that there was an increase in ordinary revenue from $520,092 to $556,788. Profits from investments realized dropped sharply to $241,300, as compared with $416,887 in the preceding year. Gross earnings for the year passed totalled $798,088 as against $936,980. Full particulars of the account follow. It will be noted that if income tax is taken as a prior charge, profits were insufficient to take care of the dividends of $1 a share paid on January 20, 1930.

Year End. Oct. 31

Revenue	$520,093	$556,788
Profits from invest.	416,887	241,299
Gross earnings	936,980	798,088
Less: Expenses	42,532	58,530
Taxes	2,833	4,098
Net earnings	891,615	735,460
Less: Interest	134,950	300,000
Income tax	......	50,000
Pref. divds.	300,000	300,000
Common divds.	......	125,000
Surplus	456,665	*39,540
Brought forward	147,538	563,435
Total	604,203	523,895
Less: Bond discount	16,250	16,250
Organ. expenses	24,518	......
Balance forward	563,435	507,645

*Deficit.

Asset Values Lower

Examination of the balance sheet shows that the position of the company has not undergone any material improvement during the year. Assets are shown at $13,419,044, down from $14,175,829 at October 31, 1929.

Investments are carried at a cost of $11,598,342, compared to $11,385,948 in 1929. The quoted market prices of the company's securities, including certain unquoted foreign securities at cost, at October 31, 1930, was $11,913,019.

Cash and call loans have declined from $2,374,470 to $1,280,368. A new item of $166,272 is shown as bills receivable on January 31, 1931. Accrued interest is slightly lower at $78,753, down from $94,744. Discount on bonds has been lowered from $308,750 to $292,500.

On the liabilities side of the ledger, it is noted that bills payable in 1929, amounting to $747,024, have been wiped out. Provision of $50,000 on account of income tax has been set up. There is little change in the other items.

Present common stock equity in capital and surplus is shown at $3,167,045, compared with $14,175,829 a year ago.

Stock Listing Cancelled

As bearing upon the position of the company, it should be noted that this week the Montreal Stock Exchange announced the withdrawal of the company's stock to trading privileges. The reason given is that the company has not fully supplied the governors with all information required. On the other hand, the management is reported to have stated that it is not in the best interests of the company at present to divulge its share holdings.

Expect Lower Revenue

After commenting upon the present status of the hydro-electric industry in France, A. J. Nesbitt, president, had the following to say:

"You will note from the financial statement that the revenue from your company's investments increased during the year. For the coming fiscal year the revenue from investments may be decreased due to some high interest rate bonds and loans having been retired and the money having to be reinvested at lower rates. Many of the shares in your company's portfolio which are listed on the Paris Bourse have suffered in market value. This condition has brought about the reduction in profits from investments realized as compared with previous years. The market value of your company's investments is in excess of market value.

"Your directors feel that while the present economic position, which has affected practically every trade and industry, may require a period of readjustment, an optimistic outlook in regard to the future of the electrical industry throughout France is well founded."

JAMAICA SERVICE NET SHOWS GAIN OVER FORMER YEAR

Increase of $18,611 in 1930 Reflecting Expansion Undertaken

From Our Own Correspondent

MONTREAL.—Gross earnings of Jamaica Public Service Co., controlled by Jamaica Public Service Ltd., were $833,493 in 1930, an increase of $66,177 over figures for the previous year. Net earnings at $338,940 were higher by $18,611. Surplus after charges, however, showed but a marginal gain at $243,082 owing to larger interest requirements.

Increase in gross and net is a reflection of expansion carried out last year. A new power unit of 2,000 kw. capacity was installed in the middle of the year and a light, power and ice business operating under the name of St. James Utilities was acquired. Revenue accruing from purchase of the light and ice business in Fort Antonio will be reflected in earnings for the current year; this property only came under the official control of Jamaica Public Service as at January 1, 1931.

Paid Dividend Last Year

September, 1930, witnessed the declaration of the first dividend of the holding company, Jamaica Public Service Ltd., at the annual rate of $1 a share, on the 45,000 shares of no par value common stock outstanding. Current quotations are around 40 at which price the stock yields 2.50 per cent. Trading is limited.

During 1930 merchandise sales were reported to have been satisfactory while residence customers in the territory served took increasing advantage of the floor rates issued by the company, numerous changes being made from the geenral residential lighting rates.

FOUNDATION CO. SECURES CONTRACT FOR MACLAREN JOB

Current Orders Assume Substantial Volume of Business

From Our Own Correspondent

MONTREAL.—Award to Foundation Co. of Canada of the general contract for construction of the power development of Maclaren-Quebec Power Co. at Masson Falls will add a substantial order to the satisfactory volume of business which the company already has on hand. The work will be commenced immediately and completion is expected by June, 1933.

The power development is a substantial undertaking. Broadly speaking it will consist of a dam, control works and intake on the Lievre River and a tunnel 25 feet in diameter over a mile long driven at a depth of 200 feet below the surface. Approximately 300,000 yards of excavation will be required in connection with this tunnel of which two-thirds will be in solid rock.

Involve Large Requirements

Construction requirements will involve material purchases. The dam, tunnel and power house will require some 1,500 tons of steel and iron, exclusive of the gates and structural steel in the buildings. Approximately one and one-quarter million brick will be used in the power house while about 100,000 yards of earth and rock fill will be needed.

The power house will be a brick and concrete structure housing four units having a total installed capacity of 130,000 horsepower. The plant will operate under a head of 185 feet.

Built Maclaren Paper Mill

Foundation Co. of Canada recently completed the paper mill of the James Maclaren Co. also located at Masson and some years ago built the Electric Reduction Co. power development on the Lievre River some distance above the present plant.

While the new Maclaren contract will not find reflection in earnings for the current fiscal year which ends April 30, 1931, the company has completed several other important jobs which should ensure a good financial showing for the year. These include erection of the Aldred Building in Montreal; a Canadian National Railways hotel at Charlottetown, P.E.I., construction of wharves for the New Brunswick International Paper Co. and a C. N. R. station and hotel contract at Halifax.

Cover Dividend Comfortably

While no figures on earnings during the current year have been published it is understood that the company will show its common dividend requirements covered by a sound margin this year. In the fiscal period ended April 30, 1930, earnings were equal to $2.36 a share on the capital stock on which a dividend of $1 is paid.

Trading in the 84,600 shares is limited. Recent quotations are in the region of 11 bid and none offered. The no par shares are the only securities of the company.

Maritime Telephone Toll Business Gains in December

From Our Own Correspondent

MONTREAL.—Maritime Telegraph & Telephone Co. report 94.1 per cent of completed long distance calls during the month ended December 20 last. There were in all 128,262 calls, of which 120,772 were completed and 7,490 lost. The average completed out-calls per day was 4,645.

The company also reports that on January 10 the second cut was made at Sackville Exchange that transferred the service of more than 1,200 resident subscribers from the manual to the dial method of operation.

Public Utility Earnings

Jamaica Public Service

Dec.:	1930	1929
Gross earnings	$80,192	$73,962
Net earnings	37,510	32,374
Surplus after charges	28,118	26,303
12 mos. end. Dec. 31:	1930	1929
Gross earnings	$833,493	$767,316
Net earnings	338,940	320,339
Surplus after charges	243,082	242,399

Canadian National Railway Company

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Capital Paid-up - 30 Million Dollars
Reserve Fund - - 30 Million Dollars

CAB 10

THE TRUSTS AND GUARANTEE COMPANY
LIMITED

34th Annual Statement

BALANCE SHEET, DECEMBER 31st, 1930

ASSETS

Capital Account		
Office Premises—		
Safety Deposit Vaults: Toronto, Calgary and Brantford; The Trusts Building, Limited, shares	$246,160.77	
Advances during year for which shares are to be issued	60,000.00	
		$306,160.77
Office Furniture		25,000.00
Real Estate—held for sale		230,376.37
Mortgages—		
Principal	$110,375.81	
Interest	6,435.93	
		116,811.74
Loans on Stocks, Bonds and other Securities		123,808.71
Dominion of Canada Bonds		7,006.95
Canadian Municipalities Bonds		17,733.69
Other Bonds and Debentures		978,435.73
Stocks		332,020.07
Cash in Chartered Banks		86,322.33
Cash on Hand		5,967.25
Other Assets		266,305.27
		$2,276,038.86
Guaranteed Trust Account		
Mortgages—		
Principal	$4,752,491.95	
Interest	153,610.89	
		$4,906,102.84
Loans on Bonds, etc.		144,518.01
Dominion and Provinces of Canada Bonds		923,937.85
Canadian Municipalities and School District Debentures		909,005.00
Other Bonds		305,000.00
Cash in Chartered Banks		358,728.88
Cash on Hand		17,838.11
		$7,565,130.69
Estates, Trusts and Agency Account		
Funds and Investments		$31,325,569.89
		$41,166,739.44

LIABILITIES

Capital Account		
Capital stock subscribed	$2,000,000.00	
Capital fully paid	$1,962,000.00	
Capital partly paid	14,769.69	
		$1,976,769.69
Sundry Accounts payable		2,490.95
Dividends declared and unpaid due January 1st, 1931		59,269.67
Profit and Loss balance		237,508.55
		$2,276,038.86
Guaranteed Trust Account		
Trust Funds for Investment	$5,683,708.95	
Trust Deposits	1,881,421.74	
		$7,565,130.69
Estates, Trusts and Agency Account		
Estates, Trusts and Agency Accounts		$31,325,569.89
		$41,166,739.44

JAMES J. WARREN,
President

E. B. STOCKDALE,
General-Manager

We have audited the books for the year ending 31st December, 1930, and verified the cash, bank balances and securities of the Corporation. We have examined the statement and it agrees with the books of the Corporation. After due consideration we have formed an independent opinion as to the position of the Corporation; and with our independent opinion so formed and according to the best of our information and the explanations given us, we certify that in our opinion the statement sets forth fairly and truly the state of the affairs of the Corporation; and that all transactions of the Corporation that have come within our notice have been within the powers of the Corporation.

GEO. EDWARDS, F.C.A. }
H. PERCY EDWARDS, F.C.A. } *Auditors*
of EDWARDS, MORGAN & COMPANY
Chartered Accountants.

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and
Corporation
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News of Investment Markets

WEST KOOTENAY MAKES OFFERING OF $6,500,000 5'S

To Redeem Existing Bonds and Finance New Development

From Our Own Correspondent

MONTREAL.—Funds for redemption of existing funded debt and for completion of a 57,000 horsepower hydro-electric development at Corra Linn will be provided by the issue of $6,500,000 5 per cent first mortgage bonds, series "A," of West Kootenay Power and Light Co. which are being offered by a syndicate headed by National City Co. and Hanson Bros. Inc. The bonds are unconditionally guaranteed by the parent organization, Consolidated Mining and Smelting Co. of Canada, which is in turn controlled by Canadian Pacific Railway.

The funded debt of West Kootenay Power at the end of 1929 comprised $823,927, 6 per cent first mortgage and $1,456,500 6 per cent general mortgage bonds together with $114,500 4½ per cent first mortgage bonds of a subsidiary, Cascade Water Power and Light Co. sinking fund operations reduced these bonds to an aggregate amount of $2,186,953 at the end of 1930.

Kootenay River Developments

In addition to the three plants producing 162,000 horsepower which West Kootenay Power operates on the Kootenay River, the company has plans under way for installation of 30,000 horsepower on the Adams River while it owns a site on the Pend d'Oreille River capable of developing 300,000 horsepower.

The company's principal customer is Consolidated Mining and Smelting Co., but power is also distributed through wholly owned subsidiaries to other mining companies, towns and communities in southern British Columbia.

Following are details of the issue:

$6,500,000
The West Kootenay Power and Light Co.
First Mortgage Bonds
Series "A" 5 per cent
Dated: March 1, 1931; due: March 1, 1956.

Capitalization:	Authorized	Issued
1st mtge. bonds	$20,000,000	....
Series "A" 5%	....	$6,500,000
Pref. stock 7%	500,000	500,000
Common stock	14,500,000	6,112,000

Company: Operates hydro-electric plants on the Kootenay River having an installed capacity of 162,000 h.p. with an additional 57,000 h.p. under construction.

Security: Bonds are first charge on all assets and are unconditionally guaranteed by Consolidated Mining and Smelting Co.

Earnings: Net earnings for five years ended 1930 averaged $1,561,743 or 4.8 times interest requirements on this issue.

Sinking Fund: Company agrees to establish an annual cumulative sinking fund sufficient to retire all bonds of series "A" by maturity.

Purpose of Issue: To redeem outstanding bonds totalling $2,186,953 of company and subsidiary, and to complete construction of new development.

Offer: February, 1931, by a syndicate headed by National City Co. and Hanson Bros., Inc., at 97.50 to yield 5.18 per cent.

Pitblado Elected to Curb

From Our Own Correspondent

MONTREAL. — The Montreal Curb announces the election as a member of John Pitblado. Reinstatement of W. E. Morgan and C. B. Pitblado, jr., is also announced by that organization. All were partners of the former Montreal Stock Exchange firm of John Pitblado & Co.

Analyze the Situation
You should not decide alone. We shall be glad of an opportunity to do for you what we are doing daily for other careful investors. Our experts will analyze the situation and suggest the kind of investment most advantageous for you.
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INTERNATIONAL LOAN COMPANY
HEAD OFFICE — WINNIPEG, MAN.
ASSETS OVER ONE MILLION DOLLARS
LIABILITIES TO THE PUBLIC NIL
Comparative Statement Showing the Progress and Development of the Company

	1914	1923	1930
Subscribed Capital	$132,200.00	$4,052,600.00	$5,579,500.00
Paid-up Capital	50,744.00	518,663.00	855,163.25
Assets	65,215.00	561,110.00	1,051,636.12
Mortgages and Agreements..	56,141.00	508,862.00	969,981.86
Reserve and Undivided Profits	10,881.00	40,409.00	193,872.70

In addition to thus rapidly increasing its assets, which now exceed one million dollars, the Company has paid all its operating and organization expenses and a total of 78% in dividends.
This statement and present conditions demonstrate the value of building a reserve. In 1925 the Company's paid-up capital was $606,314.65, while first mortgages and clear title agreements were $605,906.35. On December 31st, 1930, the Company's paid-up capital was $855,163.25, while the cash and invested funds amount to $1,051,636.12. Thus the Company has funds on hand and invested in excess of paid-up capital amounting to $196,472.87, the interest from which will greatly increase the Shareholders' profits in 1931.
Balance Sheet as at December 31st, 1930
ASSETS

Mortgages and Agreements (including Accrued Interest):		
First Mortgages and Clear Title Agreements		$ 969,981.86
Real Estate Clear Title		51,499.19
Accounts Receivable		1,435.04
Cash on Hand and in Bank:		
Cash on Hand	$ 2,562.96	
Royal Bank of Canada	21,061.52	
Canadian Bank of Com.	8,629.24	
	$32,253.72	
Less Outstanding Cheques	3,533.69	28,720.03
		$1,051,636.12

LIABILITIES

Liabilities to the Public		NIL
Reserve for Dominion Income Tax		$ 2,600.17
Capital, Surplus and Reserves:		
Capital Authorized	$20,000,000.00	
Capital Subscribed	5,579,500.00	
Capital Paid-up		855,163.25
Undivided Profits	$ 143,872.70	
Reserve for Contingencies	50,000.00	
		193,872.70
		$1,051,636.12

GEO. W. ARGUE, M.D. Managing Director
H. F. M. ROSS, M.A. President
CLIFFORD DICK, LL.B. Secretary-Treasurer

Bond Tenders

12 o'clock, Feb. 12, City of Ottawa—$1,176,441, 4½ per cent installment debentures comprising $181,845 for 10 years; $421,595 for 15 years; $523,000 for 20 years and $50,000 for 30 years. Interest payable Jan. and July 1. Sec., Board of Control.

Feb. 16, Sainte Genevieve de Berthier — $85,000, 5 per cent, 30 year bonds dated Jan. 1, 1931, redeemable serially from Jan. 1, 1932 to Jan. 1, 1962. Capital and interest payable Jan. and July 1, at Banque Can. Nationale, Montreal or at Berthierville branch. J. A. Boivin, sec.-treas.

7 o'clock, Feb. 19, School Commission of Rigaud—$4,800, 5 per cent, 40 year, serial bonds, dated July 1, 1929. J. Deom, sec.-treas.

Feb. 16, City of Sherbrooke—$445,000, 5 per cent, 30 year, serial bonds, dated March 1, 1931, maturing serially from March 1, 1932 to March 1, 1961 and $87,500, 5 per cent, 20 year, serial bonds, dated Feb. 1, 1931, maturing in series from Feb. 1, 1932 to Feb. 1, 1961. A. Deslauriers, city clerk.

2 p.m. Feb. 18, Belleville, Ont.—$27,000, 5 per cent 30-year serial debentures dated Dec. 1, 1930, and maturing $900 annualy Dec. 1, 1931 to 1960. Annual interest. Purpose: collegiate and vocational school. H. B. Stock, treasurer.

7 o'clock, Feb. 24, Town of Victoriaville—$50,000, 5 per cent, 20 year bonds, dated Jan. 1, 1931, redeemable serially from Jan. 1, 1932 to Jan. 1, 1951. Interest payable Jan. and July 1. W. Fortier, sec.-treas.

5 o'clock, Feb. 16, London—$1,218,300 debentures. James S. Bell, treas. (See announcement on page 8).

March 10, Township of Cornwall—$32,255, 5½ per cent debentures maturing as follows: $2,210, 20-installments; $29,185, 20-installments, and $860 5 installments. Vincent McDonald, township clerk, Mille Roches, Ont.

The Ontario Gazette carries the following notices that application will be made to the next session of the legislative assembly for acts to validate and confirm by-laws made by the following municipalities: for the issuance of debentures in the following amounts:

Alliston—$93,000 for sewers; $24,000 for sewerage plant; and $126,000 for pavements. Debenture debt as at January 20, 1931, exclusive of local improvement debt secured by special rates or assessments, hydro and waterworks debentures, is $46,618.

Toronto—The debenture debt of Toronto on December 23, 1930, is given at $181,681,011, of which $114,963,153, by authority of various statutes, is not to be considered in estimating borrowing powers of the city.

Windsor—$87,686 for street extension.

Bridgeburg—$111,574 debenture issue for consolidation of floating debt, storm sewer and improvements.

Fort Erie—$37,614 debentures.

Weston—$38,672 20-year debentures for paving. Rateable property, $3,849,181; debenture debt, exclusive of local improvement debt secured by special assessment, $694,955.

Etobicoke Tnp.—$109,875 debentures for road, bridge and retaining wall.

Hamilton—$365,663 debentures. Rateable property assessed at $169,835,370.

The following are the particulars of existing debenture debt of Hamilton at December 31, 1930:

Total debenture debt		$27,788,358
Less:		
Sinking fund other than public utilities	2,356,591	
Public Utility debt	8,026,127	
Local Improvement: Owner's share	2,166,443	
		12,549,161
		$15,239,198

Windsor—$87,686 for street extension.

New Toronto—$20,000 forsaite of fire hall; $5,000 for erection of municipal yard and stables.

Orillia—$5,748 for sewer extensions; total debenture debt, including all local improvement debentures, $1,101,288. Local improvement debentures, $494,949, including $256,235 for town's share and $238,714 for owner's share.

Sault Ste. Marie—Debentures aggregating $208,900 for schools and improvements.

The existing debenture debt of the city is $4,077,258, and the particulars are as follows:

General debentures	$1,287,637
Local improvements	851,955
High, public & technical schools	1,275,117
Public Utilities Commission	662,549
Amount of the rateable property of the municipality according to the last revised assessment roll	19,224,886

The reason for requiring debentures is to enable the corporation to pay for the cost of public works.

Listowel—$25,000 debenture issue to consolidate floating debt. Existing debenture debt is $245,104 and amount of whole rateable property is $1,863,122.

Penetanguishene—$50,000 in 10-year debentures for a loan of this sum to Dominion Stove & Foundry Co. Assessed property in 1930, $1,308,207; existing debenture debt, $141,704.

Riverside—$550,000 debenture issue to consolidate outstanding floating debt, being a deficit due to arrears of taxes. Town also asks authorization to secure temporary advances to aid in payment of principal and interest due January 15 to December 31, 1931, and to issue debentures sufficient to cover such advances.

Marmora—$12,000 debenture issue to consolidate floating debt. Present debenture debt is $10,912 for hydro-electric distribution system; $10,168 for schools and $22,384 for other purposes. Total assessment, exclusive of schools, churches and non-assessable property is $301,769.

Almonte—Issue of 10-year debentures sufficient to provide for costs of installation of waterworks and sewer system in the town and including loans to property owners installing sanitary conveniences. Debenture debt totals $278,773; of which $100,000 is waterworks, $63,922 is electric light and $114,851 is general.

Thorold—Wants exemption from municipal taxation, excepting school and local improvement rates, on all new houses erected within five years after January 1, 1931.

LaSalle—$42,244 debentures issued for improving dredge cut and other improvements.

Niagara Falls—$25,000 debenture issue for parks improvements.

The amount of the rateable property of the municipality according to the last revised assessment roll is $20,778,639.

York Township—$132,666 in debentures under six by-laws. The existing debenture debt of the township of York is as follows: public schools, $3,321,112; waterworks, $585,893; hydro electric, $480,516; transportation, $1,209,072; sewers, $1,410,558 and local improvements, $7,583,382 and the reason for requiring the issue of debentures is to pay for the necessary works in the interests of the corporation.

BOND AND SHARE EARNS PREFERRED BY SLIM MARGIN

Profits from Sale of Investments Show Decline

From Our Own Correspondent

Montreal.—Interest and dividends received by United Bond & Share Corp. during 1930 amounted to $31,277, as compared with $28,476 in the previous year. Profits realized from sales of investments, however, dropped from $100,516 to $36,288 in 1930, and total income was $67,565 as compared with $128,992.

After deducting of all expenses, including reserve for depreciation of investments and provision for income tax, there remained a net profit of $35,424. This sum was just sufficient to cover dividend requirements on the 6 per cent preferred shares of $50 par value, outstanding to the extent of 11,779 shares. In 1929 earnings were equal to $8.52 a share on the preferred stock. In the previous year there was a sum, after payment of preferred dividend, equal to $4.79 a share on the Class "A" stock and $1.46 a share on the Class "B."

Earned 7% on Resources

On the average resources of the company during the year, the net profit after payment of expenses and provision for income tax amounted to over 7 per cent. This compares with a return of 16.7 per cent in 1929, and 11 per cent in 1928.

Following is a comparison of income and surplus accounts for the past two years:

	1930	1929
Int. and dividends	$31,277	$28,476
Sale of invest.	36,288	100,516
Total income	67,565	128,992
Less: Res. for dep. ...	18,717	20,000
Disc. on Can. funds	4,478	......
Man. expenses	3,708	6,309
Res. for inc. tax	837	1,613
Org. exp. w/o.	744	743
Taxes and insce.	1,499	......
Sundry	2,158	......
Net profit	35,424	100,327
Less: Pfd. divds.	35,332	29,038
Surplus for year	92	71,289
Add: Prev. surplus ...	83,821	12,532
Balance forward	$83,913	$83,821

Investments Show Increase

Investments were increased substantially during the year. The balance sheet shows the company's holdings of stocks, at cost, at $760,694. This compares with $252,929 in the previous year. Bonds at cost are valued at $32,508 as compared with $131,911. After deduction of a reserve for depreciation of $40,000 these investments aggregate $753,202. The market value at the end of the year was $525,515.

The company has called in its loans which were outstanding to the extent of $310,000 at the end of 1929 and cash has been reduced from $77,670 to $1,685.

Issued Additional Stock

In liabilities, accounts payable amount to $1,267 and the sum of $1,057 has been provided for income tax for 1930. During the year 10 shares of preferred stock were issued, bringing the total number outstanding to 11,779 shares. A total of 188 shares of Class "A" stock were issued in 1930 and there are now outstanding 7,635 shares of this stock which are carried out at $77,521 as compared with $75,032 in 1929. There has been no change in the Class "B" stock of which there are 24,450 shares outstanding, having a value of $2,800 in the balance sheet.

Remarks to Shareholders

In his remarks to shareholders, George R. Hodgson, president of the company, said in part:

"The average amount of your company's resources invested in common stocks during the year was 66.08 per cent, the balance of 33.92 per cent being distributed among bonds, preferred stocks and call loans."

Investments held by the company at the close of business on December 31, 1930, were divided as follows:

	1930	1929
Cash	.38%	51.30%
Bonds	5.45%	17.11%
Preferred stocks	16.62%	12.91%
Common stocks	77.55%	18.68%
	100.00%	100.00%

Bond Redemptions

Bond Issues—	Rate	Due	Redeem.	Price
B.C. Telephone ..	4½%	1962	†Nov. 1	105
Moore Corp.	*6%	1939	Apr. 1	104
Buffalo & Ft. Erie Pub. Bridge	*8%	1945	Apr. 1	104½
Wabasso Cotton ..	*6%	1947	June 1	105
West. Kootenay Pr.	6%	1940	Sept. 1	110
West. Kootenay Pr.	6%	1943	June 1	104
Toronto Conservatory of Music	*5%	....	Mar. 1	103
Stock Issues—				
National Grocers Ltd. 1st pfd.	8%	....	Feb. 14	110
Foreign Issues—				
Argentine Govt. .	*4½%	1888-9	Apr. 1	100
Norway	*6%	1943	Feb. 15	100
Buenos Aires	*6%	1961	Mar. 1	100
Rep of Chile Ext...	*6%	1962	Mar. 1	100
Rep. of Chile	*6%	1961	Mar. 1	100
Chilean Cons. Mun. Loan Ext.	*6%	1960	Mar. 1	100
Rep. of Peru	*7%	1955	Mar. 1	105

*Called in part.
†Or before.

POWER AND PAPER INVESTMENT CO. EARNINGS LOWER

Loss on Sales of Securities Reduces Profits for Last Year

From Our Own Correspondent

MONTREAL. — Though revenue from investments was higher by $54,402 gross earnings of Canadian Power and Paper Investment Co. for 1930 were $323,939 as compared with $516,218 in the previous year. The decrease was due to a deficit of $5,668 in sale of investments as compared with a profit of $241,012 in the previous year.

After deduction of expenses, taxes and debenture interest, net profits were $151,975, which covered preferred dividend requirements of $125,000 by a fair margin. Surplus carried forward into the current year totals $547,367 an increase of about $28,000. Earnings on the 100,000 shares of common stock were equal to 27 cents a share as against $2.51 a share in 1929.

Following are details of profit and loss accounts for the past few years:

	1929	1930
Revenue..........	$275,205	$329,607
Profits from invest. ..	241,012	†5,668
Gross earnings	516,218	323,939
Expenses	30,372	45,446
Taxes	1,032	1,517
Debentures int.	125,000	125,000
Net earnings	359,813	151,975
Pref. dividends	109,181	125,000
Surplus	250,632	26,975
Previous balance	*268,525	*520,391
Surp. carried for'd. ...	$519,157	$547,367

*Adjusted.
†Deficit.

Cash is Lower

In the balance sheet, cash is down at $32,147 from $134,726; investments are up at $7,722,159 from $6,506,982. The aggregate value of these investments, however, based on available market quotations or estimated fair values at December 31, 1930, was less by $1,090,251 than the book value. Total assets stand at $7,821,675 an increase of about $1,121,000.

In liabilities, call loans total $1,237,335 as compared with $151,714 at the end of 1929. Accounts payable are about $8,000 higher at $14,055. There has been no change in the capital set up during the past year.

In his remarks to shareholders, A. J. Nesbitt, president of the company, said in part:

"The assets of the company consist of cash on hand and security investments made up of bonds, preferred and common stocks of leading public utility and industrial companies throughout Canada, the United States and foreign countries. Less than 20 per cent of your company's funds are invested in the securities of pulp and paper companies."

The Pas Has $2,394 Deficit; Sinking Fund is Maintained

The financial statement of The Pas, Man., just issued shows a deficit of $2,394, the first in three years. All departments kept within the budgetted expenditures but there was a shrinkage in revenue of some $22,000. Sinking fund requirements were all met, the net increase for 1930 being $16,295. The total on hand in sinking fund as at December 31, 1930, was $90,834.

The electric light department showed a net profit of $5,657 in 1930 while the waterworks department had a deficit of $6,731 of which $4,227 consisted of capital expenditures included in maintenance costs. Water delivery showed a deficit of $282 and the skating rink a deficit of $1,439. Local improvements amounting to $19,500 were completed.

Bond Sales

BRITISH COLUMBIA GUARANTEE

Wood, Gundy & Co., Royal Bank and Pemberton & Son (Vancouver) Ltd., were awarded $600,000 4½ per cent 40-year debentures of Vancouver and District Joint Sewerage and Drainage Board which carried the guarantee of British Columbia. The award was made on a price of 94.777; a cost basis to the board of 4.79 per cent. Bonds are due September 1, 1970, and are payable at branches of the Canadian Bank of Commerce in Victoria, Vancouver, Winnipeg, Toronto, Montreal, New York city or London.

Bids for the issue were as follows:

1 Wood, Gundy & Co.; Royal Bank; Pemberton & Son	94.777
2 A. E. Ames & Co., Bank of Montreal	93.82
3 Royal Financial Corp.	93.671
4 R. A. Daly & Co., Gairdner & Co.	93.192
5 Dominion Securities Corp., Bank of Commerce	93.09
6 C. H. Burgess & Co., J. L. Graham & Co., Dyment, Anderson & Co. .	93.083

SACKVILLE N.B.

Eastern Securities Co. has been awarded $100,000 5 per cent 40-year debentures of the town of Sackville, N.B. at 100.28; cost basis 4.98 per cent. Bids are reported as follows:

1 Eastern Securities Corp.	100.28
2 Johnston & Ward	99.72
3 Royal Bank of Canada	99.63
4 C. H. Burgess & Co.	98.47

THOROLD, ONT.

Harris, McKeen & Co. has purchased $147,500 5 per cent 15-installment debentures of Thorold, Ont., dated May 1, 1931, on a bid of 99.56; a cost basis to the town of 5.086 per cent.

NIAGARA-ON-THE-LAKE, ONT.

The town of Niagara-on-the-Lake, Ont., is reported to have sold a small issue of 5½ per cent, 10-installment debentures locally at 101; a cost basis of 5.38 per cent.

SARNIA BRIDGE CUTS DEEPLY INTO SURPLUS

Earnings for Last Year Fell Below Dividend Requirements

MONTREAL. — Preliminary figures covering earnings of Sarnia Bridge Co. in 1930 reveal a sharp decline in surplus from $85,010 in 1929 to $15,908 at the end of last year. Figures on profit and loss are not yet available; indications are that profits fell substantially below dividend requirements of $24,000 on the class A shares.

The balance sheet shows a contraction in working capital and total assets. Working capital amounts to $139,260 as compared with $216,139 in 1929 though a satisfactory ratio between current assets and current liabilities has been improved now standing at better than 3 to 1.

Accounts Receivable Lower

In assets, accounts receivable are down from $221,889 to $60,186 and inventories total $144,755 as compared with $185,292 in 1929. Property account is higher by $8,000 at $450,921. Total assets are valued at $659,113 against $852,655 at the end of the preceding year.

In liabilities bank loans have been reduced from $77,600 to $47,300 and accounts payable at $8,640 represent a decline of about $71,000. Depreciation reserve has declined marginally at $121,564 and reserve for income tax stands at $576 as opposed to $7,383.

Canadian Vickers Secures Contract on Montreal Harbor

From Our Own Correspondent

MONTREAL.—A contract has been awarded to Canadian Vickers Ltd. for structural steel for the superstructure of the shed extension of King Edward pier in the Port of Montreal. The company has a fair volume of small orders on hand in its structural steel division.

The annual report covering the 12 months ended February 28 will show bond interest and preferred dividend earned.

Wholly Secured Hospital Bonds
The 5¼% First Mortgage Gold Bonds of "Oeuvres de Notre-Dame-de-la-Merci", due 1932-1951, are wholly secured by grants from the Quebec Provincial Government and by a contract with the City of Montreal. These annual payments amount to $74,000 or $9,000 in excess of all interest and sinking fund charges.
Price: 100 and accrued interest
(plus transfer tax)
Full Particulars on request
RENE-T. LECLERC
Incorporated
240 St. James St. W., Montreal
(ESTABLISHED 1901)

Summary of Week's Annual Reports

A brief analysis of common stock earnings per annual statements received since last week's issue. Earnings per share are only shown when depreciation and income tax have been deducted; no calculation is made when profit is before these items. The market price is the close on Tuesday this week, or last sale. Company name in bold type indicates listed stocks. The net income shown, is before preferred dividends, if any.

Company	Year end.	Net income 1930	Net income 1929	Common share earnings 1930	Common share earnings 1929	Curr: divd.	Surplus after dividends 1930	Surplus after dividends 1929	Mkt.	Mkt. times earn.	Yield
Brockville Trust & S.	Dec. 31	48,015	44,096	4.80	4.41	3.50	13,015	9,161	...	...	...
Can. Perm. Mortgage	Dec. 31	989,516	1,058,271	14.14	15.12	12	149,516	218,271	210	14¾	5.71
Canada Bronze	Dec. 31	308,792	471,997	2.87	4.60	2.50	29,860	167,674	35	12	7.14
Dairy Corporation "A"	Dec. 31	83,045	(*37,225)	3.05	...	n	**77,502	**35,253	...	...	...
David & Frere	Dec. 31	†97,766	111,149	‡1.25	‡1.83	n	a46,016	a59,399	5	...	...
Home Invest. & Savings (Wpg).	Dec. 31	63,306	71,144	6.35	7.14	5	13,504	21,372	65	10¼	7.69
Honey Dew	Dec. 31	158,677	b147,170	.49	b .39	n	53,677	b42,170	6 Nov.	12	...
Landed Bkg. & Loan	Dec. 31	91,635	105,811	9.16	10.58	10	d8,365	5,811	187 Oct.	20½	5.35
Melcher's Distilleries "B"	Dec. 31	c2,897	371,668	...	f3.43	n	g152,897	f171,668	...	...	...
Ottawa Traction	Dec. 31 (Company's only income is in dividends on shares of Ottawa Electric Rly. None received since 1927.										
Page Hersey Tubes	Dec. 31	1,801,666	1,970,139	10.33	11.29	5	940,703	1,279,588	87	8½	5.75
Simon, H., & Sons	Dec. 31	116,958	201,272	2.51	4.56	2.50	307	91,931	20½	8	12.2
Trusts & Guarantee	Dec. 31	153,205	165,883	7.75	8.40	6	34,684	47,598	90	11½	6.66
United Bond & Share	Dec. 31	35,204	100,327	...	4.79	n	...	...	...	...	...
Windsor Hotel	Dec. 31	196,586	296,366	1.01	3.00	n	**50,336	**150,116	10	10	...

*For period June 10 to Dec. 31, 1929. **After pref. dividends only. †After income tax for 1929, $9,493. ‡After prov. for maximum dividend of $3 on "A" shares. a—After tax and Class "A" dividend of $2.25 per share. b—After est. income tax, $13,700 as in 1930. c—Less before deprec. and income tax. d—Deficit. f—After $2 on Class "A." g—Deficit, before deprec. and tax, but after $1.50 paid on Class "A."

WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold To	Rate	Maturity	Amount	Price	Basis
Vancouver & District Joint Sewerage & Drainage Board, British Columbia guarantee..	Feb. 5	Wood, Gundy & Co., Royal Bank, Pemberton & Son	4½%	1970	$600,000	94.777	4.79%
Sackville, N.B.	Feb.	Eastern Securities Co.	5%	40-yr.	100,000	100.28	4.98%
Thorold, Ont.	Feb.	Harris, McKeen & Co.	5%	15-ins.	147,500	99.56	5.08%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Offered	Yield
West Kootenay Power	Feb. 10	National City, and Hanson Bros.	5%	1956	6,500,000	97.50	5.18%

It may seem to be quite true

BUT, many things said in casual conversations have very little behind them in the way of solid fact; and hearsay, even at best, is an uncertain guide that often is wholly misleading. Careful study of comprehensive, well-tested information is, indeed, the only reliable basis of sound decisions. And this is especially true in the formation of judgment about investments; it is well to be certain that you really know the facts. Our facilities will help you to get them. Call or write.
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OTTAWA 85 Sparks Street
TORONTO 320 Bay Street
QUEBEC 65 St. Anne Street
Offices in New York, Chicago, Washington, San Francisco, Seattle, London, Manchester, Amsterdam, Geneva, Tokyo and more than fifty other cities of importance.
137

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LONDON, CANADA
60 Years in Business
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1½-ton Dodge Truck with Screen Body—Chassis only $745, F. O. B. Windsor, Ont.
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Thousands of progressive merchants will increase their 1931 profits . . . by more judicious buying . . . by effecting higher turnover . . . by saving a cent or more on every delivery made. . . For these progressive merchants Dodge Trucks will do an able job by cutting delivery costs. Because they are dependable—in name and in fact . . . because they save on gas, oil, tires and repairs . . . because they serve long . . . because they are attractive, speedy, safe and easy to handle.
See, inspect and drive the type that fits your needs. Buy it complete with body. Count on it for more work and profits.
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$745
DUAL REAR WHEELS AT SLIGHT EXTRA COST
DEPENDABLE DODGE TRUCKS
DODGE BROTHERS (CANADA) LIMITED, WINDSOR, ONTARIO

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TORONTO, FEBRUARY 12, 1931

TURNOVER TAXATION MEETS CRITICISM

THOSE business men who have expressed any opinion on the turnover tax, which Mr. Bennett is reputed to be harboring in his uncommunicated thoughts, seem to be almost unanimous in opposition to it. Strangely enough, the much maligned sales tax has uncovered many friends. Retailers, wholesalers and some manufacturers are quoted as saying that they would much prefer to hold to the present sales tax than have a turnover tax adopted.

Just what sort of turnover tax Mr. Bennett would adopt—if any—is something that no business men and few of his cabinet ministers know. A genuine turnover tax imposes a tax of, say, one per cent on the gross receipts of every kind of business whether it sells raw material, finished goods or services. Those who have attempted to anticipate what Mr. Bennett's thoughts might resolve say that he would not impose the turnover tax on services—such as lawyering, barbering, taxiing, auditing, etc. Further telepathists, who have some basis for budget forecasts, are certain that retailers would be exempt. And still others believe that a number of commodities would be exempt from the tax. When such notable features of the tax are severed from its traditional self, little remains but the skeleton and the skeleton bears a striking resemblance to the sales tax. Obviously, if all of the forecasts are true, Mr. Bennett is not going to introduce the turnover tax at all, he is merely going to attempt to make the sales tax more effective as a revenue producer by broadening it out in various directions. But that does not mean that the prime minister will not call the sales tax a turnover tax. He is on record as opposed to the sales tax and he is on record as favoring a turnover tax. It will be simple for him to implement both the criticism and the approving note by altering slightly the character and completely the name of the sales tax.

Since The Financial Post, first among Canadian newspapers, announced that the prime minister was considering the turnover tax, discussion on it has ranged far and wide in the Canadian press and the prime minister now has a vast sheaf of viewpoints which no doubt his secretariat are now analyzing for him. Despite Mr. Bennett's avowed scorn for ordinary newspaper comment he is believed to be watching carefully the reaction to the hint of a turnover tax. Some interesting points have been brought out in opposition, more in opposition than in favor, since even business men and editors are not free of the very human habit of criticizing and opposing every form of taxation without regard to governmental revenue needs.

One of the most serious objections is the fact that a turnover tax, applied on each occasion when goods move from hand to hand, would be a serious blow at every form of middleman and would give considerable encouragement to corporations of the vertical trust type that attempt to perform every operation between the growing or extraction of the raw material to the sale of the finished product to the consumer. The large chain or department store, operating factories, for instance, will have additional advantages over the ordinary factory-jobber-corner store line of merchandise movement. It would be possible, but exceedingly difficult, to enforce a system whereby the tax could be enforced to pyramid within a single all-embracing organization. Obviously wholesalers and independent retailers fear that the turnover tax is something likely to further emphasize their problems.

The turnover tax is, on paper, a tax system of considerable merit. But both academic and practical discussion of its features has been largely inactive for the past ten years and during that period much has happened in the world of business. While any single business man or group of business men may properly express an opinion as to its possible effect in a restricted field, it would be rash, without much more study, to call it a good tax or a bad tax in a general sense.

THROUGH THE FOG

TRENDS in business just now are conflicting. Commodity prices continue to decline but meet resistance at important points. The stock market has been unable to break away from a narrow range, either in an upward or a downward movement. In the West, moisture conditions are not of the best, which does not promise well for the 1931 crop but does promise better prices for the wheat we have carried over. The trend of business volume has continued to move downward in Canada but with lessening momentum. Employment is down but when adjusted for seasonal variations seems to be up. Money rates are low and bond prices are on a firm base but political considerations across the line are adversely affecting prices of all bonds. Everywhere that one looks for signals, one finds indicators capable of varying interpretation. One can find anything one looks for except a definite "go" or "stop" signal.

The situation is a familiar one in the dying days of a period of business depression. Doctors note similar symptoms as the turning point approaches in convalescence from illness. Out of the present uncertainty will emerge sharper notes, clearer signals, less befogged guideposts to business policy.

CREEPING PROSPERITY

IN January, 1921, practically all the great leaders of business in the United States announced that the turn for the better had come in business. Yet within seven months the number of unemployed increased by 2,300,000 persons, payrolls were cut in 13 out of 14 industries and steel plants dropped to a 25 per cent schedule.

But this frailty of human observation of economic trends works both ways. We are just as slow to recognize the turn for the better when it comes.

In a Saturday Evening Post article in October, 1921, Floyd W. Parsons pointed out that rumor factories were turning out an increasing line of dire predictions. People who had followed the optimists at the wrong time were now concurring with the pessimists. Business men feared an increasing flood of imports from Germany. Trotsky had just said that England was disintegrating. He said that the United States and England would be at war by 1924.

There is a familiar ring to that and to the other opinions quoted in Mr. Parsons' article. It is just the sort of situation we are now in. That was published in October, 1921. By January the turn had come in business. The year 1922 was a year of revival leading to substantial prosperity.

Depression hits full blast when most of us least expect it. Prosperity is something that comes to us obscurely—without definite evidence of its arrival but it develops slowly. Surface indications are unreliable. Conditions always appear to be bad when actually a very decided turn for the better has come. That was the experience at the end of 1921. It may indeed prove to be the experience of 1931.

CHANGES ITS NAME

FROM time to time The Financial Post has referred to the campaign of the so-called Retail Trade Bureau of Canada for the abolition of the income tax. For several years this organization has been collecting money from industrial and other concerns to back its campaign. The Financial Post has pointed out in the past the campaign to abolish the income tax at one stroke was likely to interfere with the more reasonable effort gradually to reduce the tax with a view to ultimate elimination when possible. Propaganda organizations that carry on campaigns to obtain what a government can not reasonably grant merely offend parliament and do harm to business by confusing the voice of business.

Hardware and Metal publishes an interview with Captain W. C. Innes, chairman of the board of directors of the Retail Trade Bureau of Canada, in which this gentleman declares his organization to be "merely parliamentary agents representing a group of people interested in a particular subject or special problem or in taxation." Obviously, a group of general parliamentary agents has no right to call itself by a name that suggests that it represents the retail merchants of Canada and the intention expressed by Captain Innes of changing the name of the organization to eliminate the word retail is commendable because necessary.

EAST AND WEST

BUSINESS, railway and financial interests in Canada recognize the severity of the present problems of the Canadian farmer, particularly those of the Western wheat grower, and have shown their readiness to aid in the solution of these problems. Banks, mortgage companies, life insurance companies are extending present loans and negotiating new ones where required; implement companies are doing the same. A great co-operative effort is making it possible for the farmer to utilize fertilizer for the first time in connection with the coming year's wheat crop. An Agricultural Credits Corporation is being formed to make whatever advances are necessary to permit wheat growers to diversify their output. This corporation is not a government affair but will be financed and managed by Canadian business institutions that already have a stake in the West and are anxious to do what they can to restore the West to a condition of prosperity. Now the Canadian Chamber of Commerce is attempting to have organized an agricultural marketing commission, to advise on the merchandising of our farm products.

The practical nature of these efforts is significant. Their non-political character is important. They signify the direct interest of the Eastern banker, mortgage lender, transportation executive and manufacturer in the problems of the individual Western farmer. They are a direct answer to any allegations that may be made to the effect that the East fails to understand the West and seeks to profit selfishly at the expense of the Westerner. They are a substitute also for radical schemes of visionaries and politicians. They offer prospect of tangible benefit to the farmer when other less intelligent but imaginative proposals would merely arouse false hopes, later to be dashed to the ground as cruelly as other similarly false hopes that have been aroused in the West during and since the war. They represent direct contribution of money, experience and advice by the shrewdest business brains of the country but they are devoid of any hint of charity, or pampering which the Western farmer would resent.

The East stands ready to help the West as it always has. There need be no further motive than the one of good business. The development of the Western plains has been a mighty contributing factor in making Canadian industry and finance what it is today. It is not possible to conceive of a prosperous Canada without a prosperous West. There is no conflict between the Western farmer and the Eastern industrialist. Their interests are, by the nature of our economic development, mutual. Recognition of this fact is the basis of whatever co-operation Eastern groups are willingly extending today to the West in its temporary period of economic distress.

KEEPING BOTH EYES ON COMPETITORS

THERE are still, even in this enlightened business day, many business men who spend so much time watching their competitors and attempting to embarrass and circumvent them that they have little time left to devote to their own businesses.

All business is a partnership and the man who attempts to bring scorn down upon the heads of a competitive company or a competitive group is doing harm to the whole world of business and he most certainly will, in time, share the burden of any public suspicion or misunderstanding that may arise.

An American publishers' journal reporting a meeting of Pacific Coast daily newspaper publishers points out that they decided this year to fight the radio and the magazines as advertising media. If a campaign of abuse of these recognized media of publicity is carried on by these daily newspapers the actual result will be to weaken public confidence in the whole institution of advertising, which is the primary source of revenue of the daily newspapers referred to.

A similar instance of distorted and shortsighted antagonism toward legitimate competition is seen in a reference in a Montreal insurance journal to a large industrial fire in which mutual companies were the sufferers. The paper reports that "local circles find more cause to chuckle than to complain in this particular case." However, we doubt very much if many fire insurance men in Montreal or elsewhere chuckled over this or any other fire. The whole job of fire insurance men, whether in joint stock or mutual groups, is to give protection against loss from fire and to do their part to prevent fires. Fire represents waste and waste is a drag on prosperity from which every business man loses.

From carrying on a campaign against competitors and chuckling over the losses of competitors it is not a far cry to racketeering and sabotage.

STEADILY

WHILE in Canada we are occasionally disappointed at the slowness of our progress toward the ideal of a well integrated British commonwealth, shrewd, observers, aloof from Empire affairs, see a definite movement under way.

Dr. Nicholas Murray Butler, president of Columbia University, New York, predicts a world with four vast economic units—United States of America, British Empire, United States of Europe and possibly the Balkans. He says:

> "The British nation, with a much more difficult problem than that faced in the organization of the United States, is trying to find the way, kindly, fairly and co-operatively, to build a great economic unit which shall do justice to the mother-land and also bind more closely to her those outlying dependencies for which she has done so much.
>
> "On the Continent, the courteous, conciliatory force of M. Briand is doing exactly the same thing. I venture to say that despite what you read from time to time, the movement for the creation of a vast economic unit on the continent of Europe is going steadily on and will have an interesting success in the years to come."

If the world can be organized so that the United States, the British Empire, the European nations and the Balkan States will function as economic entities, even greater economic co-operation between the separate groups will be possible, President Butler contends.

Co-operation will be a great deal easier to bring about than between forty or fifty small units, each of which can provide itself with but a fraction of what it needs for its daily life.

* * *

EDITORIAL NOTES

The copper industry recently organized, curtailed production by agreement and set prices at 12 cents. Now prices are back to 9½ cents, a new low. Another striking comment on the futility of price fixing.

POST-scripts

THE American habit of debunking the famous men of that country's history is not likely to develop in Canada for the simple reason that we seldom enshrine our public men—be they historical characters or contemporaries. In Canada the tendency is more in the direction of deriding our public servants. We carry it almost to extremes. Some of the great names in Canadian history are Howe, Brown, Macdonald, Cartier, Lafontaine, Mackenzie and Laurier. No single one of these men has ever been enshrined by more than a half section of the Canadian populace. Even our school children seem to be born with political memories. The tradition that a public man is a politician while he is alive and a statesmen when he dies is only partly true in Canada.

New Books

"Canadian Trade Index 1931"

Canadian Manufacturers' Association has completed revision and publication of the 1931 edition of the Canadian Trade Index. This is a substantial volume of 885 pages, the chief feature of which is a list of all Canadian manufacturers and a re-classification of this list according to the products of the different firms.

This year a valuable feature has been included in the form of a special 54-page special export section provided by the Department of Trade and Commerce, Ottawa. Canada's foreign trade is analyzed, methods of financing foreign trade are discussed, export freight rates are given and the work of the Commercial Intelligence Service is described.

It is a valuable book, particularly for foreign buyers of Canadian products but also for Canadian producers. "Canadian Trade Index 1931" is published by Canadian Manufacturers' Association, 67 Yonge Street, Toronto, at $6 per copy.

"The Passing of Free Trade"

Federation of British Industries has supported its demand for a protective policy for Great Britain by publishing a convincing pamphlet, "The Passing of Free Trade." The F. B. I., probably with some justice feels that this is the first considered expression of a non-political nature. For years the political case has been made out for or against the desirability of a tariff. This pamphlet for the first time puts the industrial case for the necessity of a tariff.

As indicated in the foreword to the pamphlet by Sir James Lithgow, the president of the Federation, the document represents an attempt to provide a connected picture of the economic circumstances attending British trade development before and since the war. It summarizes the reasons which have led to the conclusion that the day has come when the free trade system can no longer be regarded as a practical policy for British industry.

R. G. Glenday, the economic adviser of the Federation of British Industries, who has been entrusted with the responsible task of compiling the pamphlet can justily claim, as a result of thirteen years service with the Federation, to speak with knowledge on the view of various sections of British industry. Yet, while he is wholly responsible for the opinions expressed, these can be taken as fairly representing the diversity of industrial opinion in favor of the abandonment of free trade.

The pamphlet is available from the Federation at one shilling. The F. B. I. address is 21, Tothill Street, London, S.W.

Our Future in Grain

By DR. G. P. McROSTIE,
Professor of Agronomy at Manitoba Agricultural College
in Manitoba Free Press

It should be possible for the farmer whose destiny for the present seems to be grain-growing, to continue in this enterprise. The balancing of machinery with available horsepower, the elimination of controllable losses, and the increase of revenue by a judicious use of fertilizers, should ensure the production of grain that would permit of a low selling price. In the event of a reasonable increase in grain prices not only operating costs but a welcoming profit might be expected.

Other People's Views

A Changing Attitude

Nor'West Farmer, Winnipeg.—Among all of the ills the present depression has brought to Western Canada, it has strangely enough, brought some good. City folks will tell you that it has taught farmers how to farm and economize. That, of course, is not original nor is it altogether in accordance with facts. However, as we see it, the one big thing it has done is to snap city business people into a wide-awake attitude respecting the importance of agriculture and the spending power of the farmer in Western Canada. In the past "the backbone" of business and industry has been glibly talked about but now when you hear a city business man referring to farming as the backbone of business you know he means it. Further, he says it with a good deal of respect, and somehow his words carry conviction.

While this fact is of little immediate consolation yet there is no telling just how important a factor it may become in hastening the return of prosperity. Admittedly, we would all be better satisfied if the good times of '28 and early '29 were still with us but now that most everyone is down to earth once more a typical Western comeback is in the offing.

Tiring of Pessimism

Nation's Business, Washington.—Time is the most potent factor working in behalf of business recovery. Consumers who had accumulated a large amount of goods in the last boom have gradually been working it off. Roger Babson remarked that a depression lasts only as long as it takes a man to wear out two pairs of trousers.

Moreover, the depression has made many improvident persons decide to save some money as a backlog. Among the employed, thrift has been purchased in the past year and a half, as measured by increased deposits in savings banks. Now, after the average man has accumulated a thousand dollars, he begins to feel that he has built up some reserves and his mental attitude changes and he is more ready to buy for consumption.

Moreover, after the actual weak spots of the business structure have been corrected, business men in time gradually tire of being pessimistic and a new psychology suddenly develops. These important economic and psychological changes are already in the making.

Calvin Coolidge Says:

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THE problem of agriculture in recent years has seemed so much the disposition of surplus production that very little public thought has been given to soil exhaustion. Yet authentic reports tell us that each year more pounds of plant food are taken from the soil than are returned to it. That means a serious depletion of capital.

The immediate effect is the increase of acreage to maintain production. That increases the unit cost. When the harvest comes it is found the expense of raising the crop is so large that the profit is diminished.

A one-crop system is mostly responsible for this condition. With diversification and animal husbandry the problem can be partly solved. But investigation has also shown that a wise use of fertilizers increases the yield, reduces the cost of cultivation per unit and so increases the profit.

The farm ought to be primarily a self-sustaining home with its own food supply.

* * *

FEW of us realize how vast and intricate the organization of modern life becomes. Most of it is private and voluntary, authorized, supervised and taxed by the government but without any official connection.

The most complete system is the government which furnishes public utilities, education, order and justice. The largest investments are in transportation. Great lines of communication cover the land and reach under the sea. The news services bring in hourly the important transactions all over the earth to be distributed with equal rapidity.

Merchandising is carried on by hundreds of thousands of small concerns but within a bond of interrelationship and many common sources of supply. Economic life has become organized into a wide system of production, distribution, marketing and consumption. Competition in all fields is apparent yet the necessity for co-operation and co-ordination is steadily enlarged.

With life so complicated it is little wonder that from time to time through the dislocation of some part, the whole organism is thrown out of adjustment. Our economic depression does not prove our system unsound but only indicates that we need more mental and moral power to keep all parts in harmonious relationship.

* * *

CONSIDERABLE investigation is being made of the problem of old-age pensions. Some governments and some industries have adopted such a system, and it appeals to our sympathies. Only the experimental state has been reached, so that its soundness has not been demonstrated. We are constantly trying to adopt reforms of some artificial nature so as to save ourselves from suffering from the defects of human nature as it is now constituted. No doubt some of our efforts are helpful, and the fact that we realize our deficiencies and are intent on remedying them is most encouraging. Our failures lie in attempting to reach the goal by some short cut without really removing the cause of the difficulty. We try to reform ourselves on the outside when the only effective remedy is to reform ourselves on the inside.

What a self-respecting people really needs is not a system of old-age pensions but a population made sufficiently skilled by education and sufficiently self-controlled and well disposed by the help of religion so that old-age pensions would be a superfluity. Unless real reform comes from within, the problem will never be solved.

CALVIN COOLIDGE.

Organized British Industry Takes Stand for Tariffs

Sir James Lithgow, president of the Federation of British Industries, who will head a small delegation of British manufacturers on a visit to Canada in March, is a pronounced protectionist and Empire preferentialist. Writing to The Financial Post in November, following the break-down of the Imperial Conference, Sir James declared that he wished to place on record that whatever governments might do, industry in Great Britain was wholehearted in its desire for the closest Empire co-operation possible in economic matters.

The Federation of British Industries has just published a pamphlet setting forth its views on Britain's fiscal policies and arguing for a protective tariff system. Sir James Lithgow writes the prefatory note. The pamphlet may be taken as expressing his views as well as those of organized British industry. In view of the approaching visit of the Lithgow delegation, The Financial Post publishes the following brief summary of the material contained in the pamphlet:

It is now generally recognized that Great Britain's rejection of a tariff system before the war was justified not so much on the grounds that it might raise prices in one or more industries, but that it would interfere with the established trade policy by which she was able to provide employment both for the annual additions to her population and those displaced by new processes. The driving force behind that policy was Britain's foreign trade policy with its system of foreign investment.

That system, which absorbed more than half of Britain's annual savings, depended for its success on the maximum of free play being given to the movement of British goods and labor and the fluid adjustment of British prices and cost to world prices.

The decisive argument against a tariff then was that it might have endangered this freedom and adaptability. "Free Trade" was the watchword and symbol of the supporters of a successful system. It was not therefore the absence of a tariff which was the vital feature of British pre-war trade policy, but the adaptability of trading and financial arrangements in the Old Land. Similarly the clue to Germany's successful penetration of British markets overseas, and her rise in the scale of industrial nations, did not lie in her tariff schedules, but in the nature of her industrial organization and banking system.

In short, a tariff must be a means to an end only. The end itself is the national policy of trade development.

Dole is Not Free Trade

From the point of view of industrial development the present practice of fostering artificially home development by unemployment relief schemes, and the like, violates the principles of Free Trade even more vitally than a tariff, since it involves a deliberate diversion of British trade from its natural channels of development.

The whole economy of Great Britain is built up upon the basis of her Overseas trade. More than any other country, she depends for her own well-being upon the world at large. Unfortunately her adaptability has been destroyed by the rigidity of her wage systems and her prescribed conditions of labor; by the breakdown of the international gold standard, the sheet anchor of her foreign investment policy before the war; by the tariff policies of other countries, and, in general, by their refusal to restore freedom to international trade. Public relief works and the dole have made matters worse.

The only solution is to employ conscious control where free play has failed.

If the opportunities for work of economic value in the markets of the world have become fewer, Britain must make active use of her bargaining powers to secure preferential treatment for British goods.

Great Britain is still a country with the largest foreign trade per head of population, and the principal lender of capital abroad. Her position as the principal customer of a majority of the countries of the world give her unrivalled opportunities for bargaining in existing markets, and her resources as the world's principal foreign investor give her enormous powers of differentiating in favor of investments which will develop markets for British goods in the future.

A tariff is needed to make these powers of bargaining effective.

Counsel By Mail

For years we have been transacting business with clients in every part of Canada. In many cases our dealings have been conducted entirely by mail with satisfactory results. Investment suggestions, accompanied by full information, are a part of our service.

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INTERNATIONAL PAPER and POWER COMPANY

Owned, including subsidiaries, by 79,000 shareholders in Canada, Great Britain and the United States. The Company's securities are listed and traded in on the Montreal and New York Stock Exchanges.

PIONEER HYDRO-ELECTRIC ENTERPRISE on the Saint John River, and the largest in the Maritime Provinces, International's development at Grand Falls is a substantial factor in keeping New Brunswick abreast the steady growth of Canadian industry.

For more than thirty years seemingly insurmountable obstacles blocked the development of Grand Falls. Finally, in 1926, the co-operation of five sovereignties—the Dominion of Canada, the United States, the Provinces of New Brunswick and Quebec, and the State of Maine—made it possible for International to harness this long-wasted power. Two years later, the first generator in an 80,000 horsepower plant took up the service of New Brunswick industry; by another year, two additional units were in operation; and the fourth 20,000 horsepower unit now nears completion.

Power from Grand Falls is now utilized, under long-term contracts, by the Fraser Companies Limited, at Edmunston, and New Brunswick International Paper Company, at Dalhousie. In addition, Saint John River Power Company has contracts with the municipalities of Grand Falls and Dalhousie, and serves St. Leonards.

Including its new Dalhousie newsprint mill, International has expended more than $25,000,000 in the development of New Brunswick industry.

What International Paper and Power Company is, who owns it, what are its policies and where and of what nature its undertakings, is being told in a series of advertisements, of which this is the ninth.

INTERNATIONAL PAPER and POWER COMPANY
CANADIAN INTERNATIONAL PAPER COMPANY
NEW BRUNSWICK INTERNATIONAL PAPER COMPANY
RIORDON SALES CORPORATION LIMITED
SAINT JOHN RIVER POWER COMPANY
GATINEAU POWER COMPANY
CANADIAN HYDRO-ELECTRIC CORPORATION LIMITED
GATINEAU ELECTRIC LIGHT COMPANY LIMITED
CONTINENTAL PAPER PRODUCTS LIMITED
INTERNATIONAL FIBRE BOARD LIMITED
NIPIGON CORPORATION LIMITED
INTERNATIONAL PAPER AND POWER SECURITIES LIMITED

13

Business Conditions in Canada

LUMBER OUTPUT DROPS 14 PER CENT DURING PAST YEAR

Can. Lumbermen's Ass'n Reports Hard Year for Membership

A 20 per cent decline in the production of lumber, laths and shingles in Eastern Canada and a 14 per cent decline in production for the entire Dominion is indicated by figures prepared by the Canadian Lumbermen's Association and released at the annual meeting in Toronto last week.

The only species to show an increase in production in 1930, according to the Canadian Lumbermen's survey were basswood, ash and cedar. The two most important woods, namely spruce and whitepine, showed declines of 22 per cent and 23 per cent respectively from estimated figures in 1929. These figures apply to Eastern Canada only.

The following table is comprised in part of approximate figures from Western producers, and in part as a result of a questionnaire sent to all producers in the four eastern provinces by the Canadian Lumberman's Association. Collection of data in the eastern provinces commenced originally in 1928 and after an intensive effort in 1929 and 1930 it is thought that the figures represent the output of the great majority of producers.

Approximate Production of Lumber, Lath and Shingles, 1929-1930

Western Provinces	1929 Ft.	1930 Ft.
B. C.	2,250,000,000	2,050,000,000
Alberta	125,000,000	100,000,000
Saskatchewan	15,000,000	47,000,000
Manitoba	80,000,000	46,000,000
Total	2,470,000,000	2,243,000,000
Eastern Provinces		
Ontario	....	712,815,000
Quebec	....	435,192,000
New Brunswick	....	291,665,000
Nova Scotia	....	104,490,000
Total	1,940,493,000	1,544,162,000
Grand total	4,410,493,000	3,787,162,000

The association reported a fairly substantial decline in membership during the year due in part to mergers in the industry, and also to the difficult business conditions with which lumbermen have had to contend during the past year. The membership was reported as 108, which is the smallest figure in a good many years.

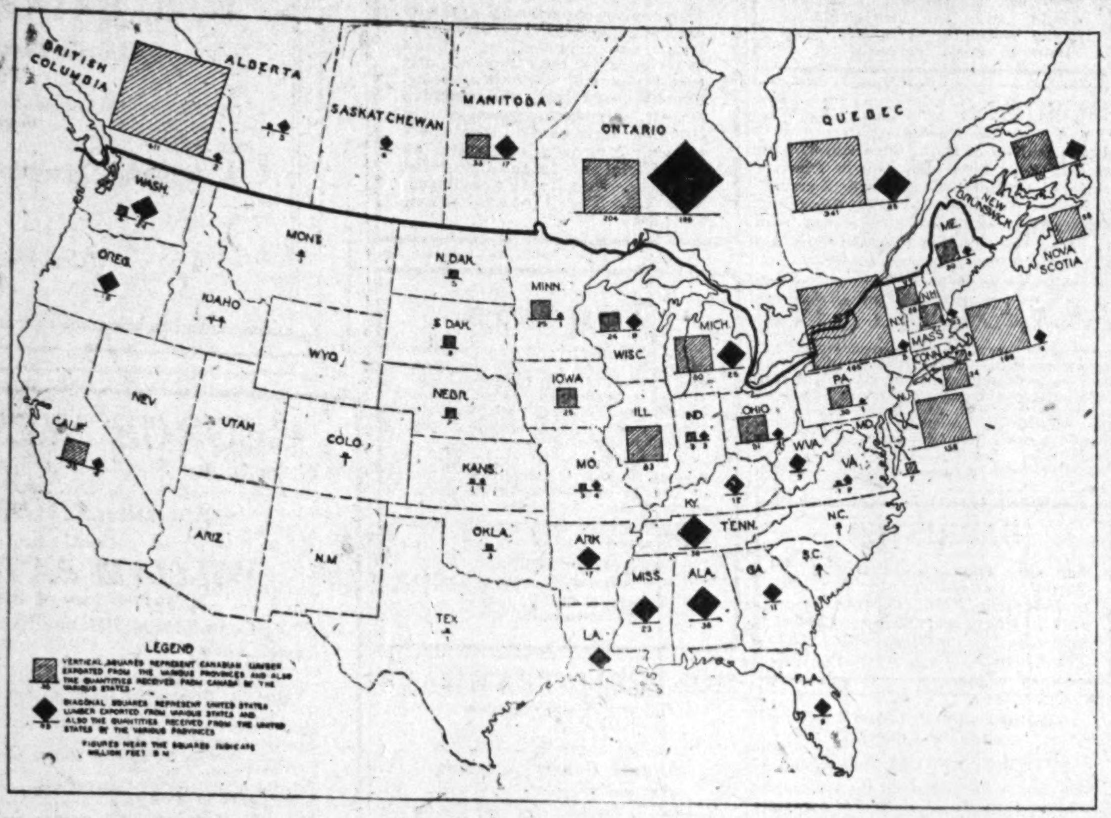
Considerable efforts are being made by the association toward trade extension in the various provinces in which it has membership. This trade extension consists in part of advertising and in part of an attempt by the membership to improve the demand for Canadian lumber by co-operative work among retailers and manufacturers who are at present using imported woods and merchandise rather than Canadian. During the convention reports were heard from the general trade extension committee and from the wholesale lumber committees of Toronto and Montreal.

A. C. Manbert, of the Canadian General Lumber Co., Toronto, was elected president of the association for 1931, and succeeds G. P. Burchill, of South Nelson, N.B., immediate past-president. The headquarters of the association is at Ottawa.

Discuss Fruit Terminal

Decision to form a representative committee to consider the question of a union fruit terminal at Toronto resulted from a recent conference called by Hon. T. L. Kennedy, minister of agriculture for Ontario.

Canada-U.S.A. Lumber Trade Shown in Intimate Detail


BRITISH COLUMBIA
ALBERTA
SASKATCHEWAN
MANITOBA
ONTARIO
QUEBEC
NEW BRUNSWICK
NOVA SCOTIA
WASH.
OREG.
CALIF.
IDAHO
NEV.
MONT.
WYO.
UTAH
ARIZ.
COLO.
N.M.
N. DAK.
S. DAK.
NEBR.
KANS.
OKLA.
TEX.
MINN.
IOWA
MO.
ARK.
LA.
WISC.
ILL.
MICH.
IND.
OHIO
KY.
TENN.
MISS.
ALA.
GA.
FLA.
S.C.
N.C.
VA.
W.VA.
PA.
N.Y.
ME.
N.H.
MASS.
CONN.
N.J.
MD.
204
186
341
48
LEGEND
VERTICAL SQUARES REPRESENT CANADIAN LUMBER EXPORTED FROM THE VARIOUS PROVINCES AND ALSO THE QUANTITIES RECEIVED FROM CANADA BY THE VARIOUS STATES
DIAGONAL SQUARES REPRESENT UNITED STATES LUMBER EXPORTED FROM VARIOUS STATES AND ALSO THE QUANTITIES RECEIVED FROM THE UNITED STATES BY THE VARIOUS PROVINCES
FIGURES NEAR THE SQUARES INDICATE MILLION FEET B.M.

The first analysis of interprovincial trade to be made in Canada for any commodity is a survey of the lumber trade made jointly by the Forests Products Branch of the Dominion Bureau of Statistics and the Forest Service of the United States Department of Agriculture. The chart above shows in detail the distribution of lumber among the provinces of Canada and the United States and the estimated consumption of each state or province. It gives a most valuable bird's-eye view of the source and destination of lumber produced on this continent.

Business Briefs

Car Loadings decreased 2.1 per cent during the week ended January 30, 1931, as compared with the previous week, the first decline of the current year. Loadings were 21 per cent behind the corresponding week in 1930 and January, 1931, loadings are 17.9 per cent behind the corresponding month of 1930 and 21.4 per cent below January, 1929. As compared with January, 1930, the chief loss is in pulpwood, lumber, pulp and paper and forest products and miscellaneous loadings. Grain is the only product to show substantial increase.

Wheat Exports by vessels from Canadian ports totalled 13,593,826 bus. during the four weeks ended January 30, 1931, and clearances from United States ports of Canadian wheat amounted to 6,928,000 bus. Total export movement for the month was therefor 20,251,826 bus.

Wholesale Prices declined during January and the Dominion Bureau of Statistics index number for the month is 76.7 as compared with 77.8 in December.

Krupps Deny Plans To Build Plant Here

The reports that Krupps are contemplating the construction of a big machinery plant in Montreal for the construction of mining machinery and steel plant equipment are denied by Krupps, according to a special European despatch to Canadian Machinery.

The representatives sent to Canada are merely trying to organize the sales of Krupp machinery and special steels, but later on, when business has developed satisfactorily, it would not be impossible that Krupps would start manufacture in Canada.

SEES LITTLE HOPE FOR 1931 INCREASE IN CONSTRUCTION

Building Costs Remain High Due to Labor

That 1931 will in all probability show no marked increase or decrease in total dollars spent on construction, as compared to 1930, is the view of H. W. Pepper, Ontario manager of MacLean Building Reports, given in an address before the thirteenth convention of the Canadian Construction Association recently, at Niagara Falls.

Building costs were also analyzed by Mr. Pepper and it was pointed out that whereas material prices have declined steadily since the peak in 1920, the average rate per hour of labor has increased steadily. A balance of these two major factors showed construction costs to be approximately 105 per cent of 1926 prices which may be considered as normal.

During 1930 the curve of residential building in Canada reached only 75 per cent of the computed normal, said Mr. Pepper. The types included are residences, apartments and hotels. "We anticipate a 20 per cent increase throughout Canada for this group during 1931. Commercial projects which include public garages, office buildings, stores, theatres and warehouses were in 1930, 88 per cent of normal or 43 per cent below the 1929 level. No marked increase or decrease is expected in this group in 1931."

"Industrial construction, now 62 per cent of the computed normal for this group and 50 per cent below the 1929 level, may increase by 30 per cent this year. If manufacturing responds to the tariff this will be a surety. The construction of educational buildings has been very active and at the end of 1930 stood at 145 per cent of normal. It was up 36 per cent last year. A certain percentage of this work has been forced construction and no increase is expected for 1931; perhaps there will be a decrease.

"Public and semi-public buildings includes public buildings, social and recreational buildings, religious buildings, memorial buildings, hospitals and institutions. There has been a general increase in this type of construction since 1918. The curve is now 134 per cent of normal, an increase of 8 per cent over 1929, and it is expected there may possibly be a 10 per cent decrease in this group.

"Engineering work has been split into two sections; one public works and utilities and the other general engineering. Public works and utilities are now 125 per cent of normal, possibly owing to certain forced construction. This trend was kept up to the 1929 level, probably by emergency measures owing to unemployment. This may continue at this level but will likely decrease about 5 per cent. General engineering is high also at 147 per cent of normal. This group is very difficult to forecast owing to the variety of the projects. It may be that it will decrease 10 per cent during 1931."

VALUE OF SEA CATCH STATED AT $26,621,000

Volume is Set at Over One Billion Pounds But Below 1929 Output

The 1930 catch of sea fish amounted to 1,002,022,200 lbs. with a landed value of $23,621,000 to Canadian fishermen according to preliminary statistics issued by the Dominion Department of Fisheries. While salmon landings were of record size and catch of lobsters and swordfish increased, the 1930 catch was some 22,000,000 lbs. below that of 1929 while price declines are reflected in a shrinkage of $3,599,000 in total value from 1929 figures.

The British Columbia catch in 1930 was 538,585,000 lbs. as against 525,867,900 lbs. in 1929 but the landed value dropped from $14,070,230 in 1929 to $12,160,000 in 1930. The rural salmon catch was the outstanding feature of the season and the increase more than offset decreased catch of other fish. The total of salmon caught amounted to 216,500,000 lbs. and the pack of 2,220,000 cases was also a record, the previous records having been made in 1926.

In the east, Prince Edward Island showed increased landings but the total catch on the Atlantic seaboard amounted to 463,437,000 lbs. or 40,000,000 lbs. below the 1929 figure. Lobster production increased to 41,073,700 lbs. from 37,282,000 lbs. in 1929. The total Atlantic catch and landed value in 1930, by provinces, was as follows:

	Catch Lbs.	Landed Value $
Nova Scotia	257,624,200	6,838,093
New Brunswick	120,410,100	2,504,378
Prince Edward Island	25,425,700	785,405
Quebec	59,977,000	1,334,059
	463,437,000	11,461,935

SPIRITUOUS LIQUOR OUTPUT INCREASED

1929 Production Valued at $43,752,420; Consumption Shows Gain

Firms engaged in the distillation of spirituous liquors in Canada during 1929 increased to 20 in number as compared with 18 in 1928 and employed capital of $60,211,220 as against $51,287,103 the previous year. Production amounted to 17,202,715 proof gallons, valued at $43,752,420, while in 1928, 14,838,641 gal. produced had a value of $38,423,743. Output of potable spirits increased by 28.55 per cent and that of industrial, commercial and denatured alcohols decreased by 10.7 per cent to 3,196,433 gal.

There was some tendency towards concentration of both capital and production and 11 firms, having a capital of $1,000,000 or over had an average invested capital of $5,150,690 each as compared with 10 firms with an average of $4,742,579 in 1928. Six firms, with a production of $1,000,000 or over, produced an average of $6,605,672 for a total of $39,634,032 out of the total production of the industry of $43,752,420. In 1928, there were seven firms in this class with an average production of $5,121,337.

Of the total capital employed, eight Ontario firms had $33,970,531 and seven Quebec firms had $16,121,529. British Columbia had four firms engaged in the industry and Manitoba one.

Imports of distilled liquors remained practically stationary with 2,530,914 proof gallons in 1929 and 2,534,581 gal. in 1928. The value of imports however, dropped to $42,820,403 in 1929 from $43,859,239 in 1928. Exports increased to 2,885,070 gal., valued at $26,632,018, from 2,201,455 gal. valued at $23,193,992. Apparent consumption of distilled liquors in Canada is shown at 3,130,119 gal. or .319 gal. per capita as compared with 3,036,755 gal. or .306 gal. per capita in 1928.

The principal statistics of the industry in 1929 and 1928 are as follows:

	1929	1928
No. of plants	20	18
Capital employed	$60,211,220	$51,287,103
Average employees	2,219	1,884
Salaries & wages pd.	$ 3,132,497	$ 2,560,459
Cost of materials	$12,928,920	$10,137,114
Gross val. of prod.	$43,752,420	$38,423,743
Net val. of prod.	$30,823,500	$28,286,629

Jewellery Output Gained To Peak of $11,933,593

While a new high value of production at $11,933,593 was established by the jewellery and silverware industry in Canada during 1929 there was a decrease of eight in the number of firms operating and a reduction of $308,000 in the amount of capital employed. The average number of employees remained the same at 2,931 but salaries and wages increased $118,000 to $3,998,851.

Principal statistics on the industry are as follows:

	1929	1928
No. of plants	98	106
Capital employed	$10,781,963	$11,090,082
Aver. no. employed	2,931	2,932
Salaries & wages	$ 3,998,851	$ 3,880,676
Cost of materials	$ 4,913,604	$ 4,709,743
Sales val. of prod.	$11,933,593	$11,702,648
Value added by mfr.	$ 7,019,989	$ 6,982,905

Canadian Business Indicators

Compiled Weekly by The Financial Post

	Weekly Latest		Cumulative Jan. 1, to date	
	1930	1929	1930	1929
C. P. R. Gross earn. (Jan. 31, '31)	$ 3,808,000	$ 4,399,000	$ 11,418,000	$ 13,018,000
C. N. R. Gross earn. (Jan. 31, '31)	$ 4,808,328	$ 6,085,603	$ 13,756,875	$ 17,421,172
Car Loadings (Jan. 31, '31)	46,604	59,075	221,647	269,786
Common Stock Index (Jan. 29, '31)	108.3	162.8	......	......
Production—	Monthly			
Pig Iron, tons (December)	38,293	82,632	747,448	1,080,160
Steel, tons (December)	56,101	82,415	1,011,743	1,378,024
Newsprint, tons (December)	184,755	230,008	2,499,631	2,728,827
Automobiles (December)	5,622	4,825	154,192	262,625
Boots and Shoes, pr. (Nov.)	1,124,798	1,473,741	16,023,190	18,230,074
Flour, bbls. (November)	1,170,025	1,073,908	16,594,345	18,554,059
Mineral Production—				
Gold, oz. (November)	197,186	150,418	1,877,515	1,758,657
Silver, oz. (November)	2,361,778	1,519,883	24,233,060	20,988,082
Nickel, tons (November)	3,545	7,545	49,187	49,720
Copper, tons (November)	10,868	12,060	140,603	111,350
Lead, tons (November)	11,707	12,072	150,236	147,108
Zinc, tons (November)	11,916	7,225	122,128	89,282
Coal, tons (November)	1,315,420	1,534,190	13,496,982	16,011,519
Natural gas, M. cu. ft. (Nov.)	2,841,803	2,722,461	25,483,805	24,638,430
Petroleum, bbls. (November)	160,726	114,337	1,370,827	1,019,328
Automobile Financing—				
Used Cars (October)	$ 2,475,741	$ 2,971,643	$ 29,666,142	$ 35,723,222
New Cars (October)	$ 1,266,065	$ 3,869,531	$ 27,054,381	$ 44,267,656
Construction—				
Building Permits (December)	$ 15,489,964	$ 14,688,682	$ 163,789,670	$ 234,944,549
Contracts (Jan., '31)	$ 20,299,100	$ 37,529,900	....	....
Labor—				
Employment Index (Dec.)	108.5	119.1	......	......
Trade—				
Imports (December)	$ 60,337,934	$ 84,365,155	$1,008,518,218	$1,298,992,682
Exports (December)	$ 66,819,668	$ 88,520,355	$ 885,906,366	$1,182,412,313
Imports of Key Products—				
Rubber, lbs. (December)	3,016,000	4,735,000	59,990,866	79,472,786
Cotton, lbs. (December)	12,343,000	13,029,000	100,483,000	196,838,967
Sugar, lbs. (December)	42,954,700	45,025,900	812,654,100	837,362,900
Petroleum, crude, gal. (Dec.)	69,387,926	67,060,193	529,477,372	1,062,649,576
Coal, tons (December)	1,223,032	1,484,436	17,619,974	18,190,055
Exports of Key Products—				
Newsprint, cwt. (October)	3,896,395	4,024,998	34,631,795	45,933,076
Automobiles, No. (December)	3,708	4,910	45,361	102,382
Wheat, bush. (December)	22,230,397	15,960,792	207,761,067	211,945,589
Wheat, flour, bbls. (December)	601,894	604,979	7,514,778	9,573,880
Electric Power—Output—				
M. Kilowatt hours (December)	1,541,918	1,535,332	17,720,583	17,626,228
Population—				
Emigration (November)	1,476	6,089	40,365	65,332
Immigration (July)	8,383	16,465	80,178	117,824
Finance—				
Failures, No. (Nov.)	222	164	2,163	1,930
Failures, Liabilities (Nov.)	$ 3,296,000	2,774,707	43,861,515	35,166,130
Bank Debits (December)	$3,012,000,000	$3,805,000,000	$37,491,301,766	$46,670,481,838
Bond Sales (Jan. '31)	$ 103,167,603	$ 44,146,499	....	....
Insurance Sales (Dec.)	$ 49,874,000	$ 55,350,000	$ 568,056,000	$ 614,727,000
Wholesale Prices (1913=100)—				
General Index (Jan. '31)	76.7	95.6	......	......
Iron and its products (Dec.)	89.0	93.4	......	......
Cottons, raw	54.9	98.8	......	......
Grains	39.1	96.0	......	......
Live stock	91.5	119.9	......	......

Interprovincial Data Seen For First Time in Canada

Survey of Lumber Trade of Continent Shows Distribution Between All Provinces and States

To the Canadian lumber trade goes the credit for having the first available data on the interprovincial distribution of any commodity available in this country. And not only does this data—the result of survey made jointly by the Forest Products Branch of the U.S.A., and the Dominion Bureau of Statistics, Canada, show interprovincial distribution of this exceedingly important product, but it also shows how much lumber goes from each province in Canada to each state in the U. S. A., and vice versa, and also from each province to all countries of the world.

Briefly the results of this most interesting analysis show that out of a total lumber output in Canada of 4,662,238 M. bd. ft. in 1928, 1,888,679 was exported, 2,773,560 was distributed in Canada, of which 1,594,263 M. bd. ft. was used locally and the rest was sent to other provinces.

The survey also shows that out of a total lumber consumption in Canada in that year of 3,061,824 M. bd. ft., 91 per cent was supplied by Canada and the remainder was imported—largely from the United States. Of total exports in 1928 of 1,888,679 M. bd. ft., approximately 1,348,609 M. bd. ft. was sent to the United States, 197,400 M. bd. ft. to Japan, while Australia, United Kingdom and China were our next best customers respectively.

The following tables compiled from the report, give a bird's-eye view of the exceedingly interesting data collected in this survey.

TOTAL DISTRIBUTION OF CANADIAN LUMBER, 1928
(In Thousands of Feet, Board Measure)

	Total Distribution	Total Exports	Total distribution in Canada	Sent to other Provinces	Used Locally
Prince Edward Island	4,794	......	4,794	......	4,794
Nova Scotia	213,360	131,965	81,395	14,710	66,685
New Brunswick	287,627	136,682	150,945	84,207	66,738
Quebec	750,522	366,597	383,925	95,743	288,182
Ontario	879,688	213,987	665,701	83,338	582,363
Manitoba	89,276	33,316	55,960	33,535	22,425
Saskatchewan	24,176	334	23,842	1,311	22,531
Alberta	115,835	1,084	114,801	7,068	107,733
British Columbia	2,296,961	1,004,764	1,292,197	859,385	432,812
Canada	4,662,239	1,888,679	2,773,560	1,179,297	1,594,263

TOTAL LUMBER CONSUMPTION IN CANADA, 1928
(In Thousands of Feet, Board Measure)

	Total Canadian Production	Imports		Total Apparent Consumption	Percentage Canadian	Per capita Consumption
		From U.S.A.	From other Countries			
Prince Ed. Island	8,209	......	...	8,209	100%	.095
Nova Scotia	73,909	262	...	77,171	96	.136
New Brunswick	73,985	16,050	5	90,040	62	.217
Quebec	504,695	45,465	103	550,263	92	.208
Ontario	843,546	195,645	342	1,039,533	81	.322
Manitoba	182,710	16,841	28	199,579	92	.305
Saskatchewan	347,387	6,112	3	353,502	98	.415
Alberta	305,998	4,969	4	310,971	98	.492
British Columbia	433,121	2,430	5	435,556	99	.747
Total for Canada:						
All woods	2,773,560	287,774	490	3,061,824	91%	.317
Softwoods	2,586,924	139,074	39	2,726,037	95	.282
Hardwoods	186,636	148,700	451	335,787	56	.035

TOTAL LUMBER EXPORTED FROM CANADIAN PROVINCES, 1928
(In Thousands of Feet, Board Measure)

To:—	Nova Scotia	New Brunswick	Quebec	Ontario	British Columbia	Total all Canada
United States	57,749	100,717	340,567	204,007	*645,569	1,348,609
Mexico	......	......	......	......	61	61
Central America	2,982	......	......	203	2,121	5,306
South America	......	......	......	384	5,655	6,039
Newfoundland	......	......	......	......	1,207	1,207
British West Indies	1,252	186	338	1,504	8,392	11,672
United Kingdom	65,226	35,779	24,587	7,655	55,408	188,655
Other Europe	681	......	......	......	7,785	8,466
Japan	......	......	......	......	197,402	197,402
China	......	......	......	......	32,102	32,102
Australasia	......	......	......	......	65,242	65,242
Philippine Islands	......	......	......	......	70	70
Africa	4,075	......	......	180	14,279	118,534
All other countries	......	......	1,105	54	4,155	5,314
Total Exports	131,965	136,682	366,597	213,987	1,039,448	1,888,679

*Includes 34,684 M. feet Prairie Provinces' lumber exported to U. S. A. Exports by provinces were: Manitoba, 33,316 M. ft.; Saskatchewan, 334 M. ft.; Alberta, 1,034 M. ft.

LUMBER PRODUCTION MOVES HIGHER IN B. C.

H. R. MacMillan Sees Marketing as Industry's Greatest Problem

From Our Own Correspondent

VANCOUVER.—Lumber production in the Pacific Northwest showed an increase recently for the first time in several months as a result of slightly improved markets, but the output of logging camps and sawmills is still well below normal.

An optimistic view of the lumber industry's future, however, is held by H. R. MacMillan, president of H. R. MacMillan Export Company, and recently elected director of the Canadian Bank of Commerce.

"There can be no doubt of ultimate success," said Mr. MacMillan, even if it is necessary to take lower prices. If the lumbermen get down to solid work and stop thinking and talking of depression we will soon return to prosperous times.

"Lumber conditions are uniformly bad the world over and I think that this is largely due to the policy adopted during the war and the two or three years immediately following. Everyone got the idea that the forests were nearing depletion and that the price of forest products would steadily rise as a result of the natural working of the law of supply and demand.

Regulation Always Lacking

"This theory proved fallacious. There was a race to cut timber. Production was speeded up everywhere and a glut of the market followed. Efficiency of sawmills was greatly increased so that mill yards were filled with unsaleable stock after awhile. Regulation of production has always been lacking in the lumber industry, and marketing is today our greatest problem. We are faced with the situation of a greatly reduced per capita consumption of lumber and the greatest capacity for lumber production in history."

Mr. MacMillan, who is one of the largest exporters of lumber in British Columbia, believes that reports of Soviet competition in lumber have been greatly exaggerated.

Canada Third in Copper

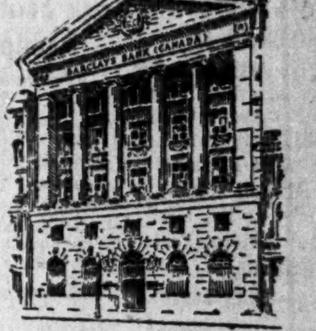
A summary of the world's copper output for the year 1930 compiled by the American Bureau of Statistics, places Canada in third rank among the countries. The United States comes first with a total of 820,000 tons, followed by Chile and Peru combined, with 280,654. Canada produced 113,003 tons; Japan, 87,924 tons; Germany, 65,000 and Europe outside of Germany, 152,000 tons.

Poultry Association Progresses

Last year 1,496,044 dozens of eggs were handled by the Prince Edward Island Co-operative Egg and Poultry Association, a gain of 193,915 dozen over 1929, and the largest yearly volume yet recorded, it is reported in the annual report of the association.

Okanagan Apple Output Higher

Committee of direction figures on apple shipments from the Okanagan from the 1930 crop, up to January 31st, show 2,174,458 boxes having been shipped to the Canadian markets, compared with 2,013,003 boxes for the similar period of the previous year.



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Continuing... A GOOD RECORD

Balance Sheet, December 31, 1930

ASSETS

Real Estate;		
Office Premises	$ 178,490.17	
Other (Held for Sale)	19,171.04	
		$ 197,661.21
Mortgages on Real Estate		3,602,159.06
Agreements for Sale		7,700.00
Loans on Collateral		30,000.00
Loans to Policyholders on Security of Their Policies		1,015,704.36
Bonds and Debentures at Amortized Book Value		2,356,814.68
Stocks at Market Value		103,850.00
Cash on Hand and in Banks		31,902.10
Outstanding Premiums Due and Deferred (Net)		338,933.22
Agents' Balances		4,075.88
Interest and Dividends Due and Accrued		125,328.84
All other Assets		2,357.94
Total Assets		$7,816,487.29

LIABILITIES

Policy Reserves According to Statutory Requirements	$6,280,665.00
Reserve for Unpaid and Unreported Claims	40,486.00
Policy Proceeds left with Company, Including Interest Accumulations	40,459.31
Premiums Paid in Advance	3,730.16
Agents' Credit Balances	48,023.75
Taxes and Expenses, Due and Accrued	22,500.00
Borrowed Money	372,000.00
Commuted Payments Not Yet Due re Policyholders Mutual	28,735.44
Other Liabilities	1,545.55
Capital Paid in	654,765.48
Surplus	318,576.60
Total Liabilities	$7,816,487.29

Premium Income $1,399,293.92
Total Income $1,915,091.15
New Policies Issued and Revived $10,241,877
Insurance in Force $53,677,199
Ratio of Actual to Expected Mortality 41.8%
Average Rate of Interest Earned 6.51%

THE ONTARIO EQUITABLE
LIFE AND ACCIDENT INSURANCE COMPANY
S. G. TWEED, President
HEAD OFFICE WATERLOO, ONTARIO
1625

DIVIDEND NOTICES

DAVID & FRERE, LIMITED

Dividend Class "A" No. 11

Notice is hereby given that a Dividend of 56c. per share has been declared on the No Par Value Class "A" Stock of the Company for the Quarter ending the 28th February, 1931, payable 16th March, 1931, to Shareholders of record at the close of business on 28th February, 1931.

L. R. PHILIE,
Secretary-Treasurer.

Howard Smith Paper Mills
Limited
Incorporated 1928

PREFERRED STOCK DIVIDEND NOTICE

Notice is hereby given that a Dividend of one and one-half per cent on the six per cent Preferred Stock of the Howard Smith Paper Mills, Limited, incorporated 1928, has been declared for the period ending February 28th, 1931, payable on March 2nd, 1931, to SHAREHOLDERS of record at the close of business on the 20th day of February, 1931.

By Order of the Board.

KENNETH G PENDOCK,
Secretary-Treasurer.

Montreal, February 6th, 1931.

THE BANK OF TORONTO

Dividend No. 198

Notice is hereby given that a Dividend of Three per cent upon the Paid-Up Capital Stock of this Bank has been declared for the current quarter, and the same will be payable at the Bank and its branches on and after the second day of March next, to shareholders of record on February 14th, 1931.

By Order of the Board.

H. B. HENWOOD,
General Manager.

Toronto, January 14th, 1931.

QUEBEC POWER COMPANY

Notice is hereby given that a dividend of sixty-two and one-half cents (62½c) per share has been declared on the no par value common shares of the Company for the quarter ending March 31st, payable April 15th, to shareholders of record March 23rd, 1931.

By Order of the Board,

JAMES WILSON,
Secretary.

Montreal, February 2, 1931.

UNDER THE MANAGEMENT OF
POWER CORPORATION OF CANADA
LIMITED

Canada Northern Power Corporation, Limited

Common Dividend No. 7

NOTICE is hereby given that a Dividend of 20c. per share (being at the rate of 80c. per annum) has been declared on the no par value Common Stock of CANADA NORTHERN POWER CORPORATION LIMITED for the quarter ending March 31st, 1931, payable April 25th, 1931, to shareholders of record at the close of business on March 31st, 1931.

By order of the Board.

L. C. HASKELL, Secretary.
January 27th, 1931.

DIVIDEND NOTICES

Nova Scotia Light & Power Company, Limited

Preference Dividend No. 11

Notice is hereby given that a dividend of one and one-half per cent (1½%) for the quarter ending February 28th, 1931, has been declared upon the 6% Cumulative Redeemable Preference Stock of the Company, payable March 2nd, 1931, to shareholders of record at the close of business February 14th, 1931.

By Order of the Board,

C. J. HAYES,
Secretary.

Halifax, N.S., February 2nd, 1931.

Canadian Pacific Railway Company

Dividend Notice

At a meeting of the Board of Directors held today the following dividends were declared:

On the Preference Stock, two per cent. for the half-year ended December 31, 1930;

On the Ordinary Capital Stock, two and one half per cent. for the quarter ended December 31, 1930, from railway revenues and special income;

Both dividends are payable April 1, 1931, to Stockholders of record at three p.m. on March 2, 1931.

By order of the Board,

ERNEST ALEXANDER,
Secretary.

Montreal, February 9, 1931.

WINDSOR HOTEL LIMITED

PREFERRED STOCK DIVIDEND No. 13

NOTICE IS HEREBY GIVEN that a dividend of one and five-eigths per cent (1⅝%) has been declared on the 6½% Cumulative Prefered Stock of WINDSOR HOTEL LIMITED for the quarter ending February 28th, 1931, payable on March 1st, 1931, to Shareholders of record at the close of business on February 15th, 1931.

By Order of the Board.

R. SMITH,
Secretary.

Montreal, February 2nd, 1931.

Belding-Corticelli
Limited

Dividend No. 65

Notice is hereby given that on the Preference Stock of this Company, the Directors have declared a dividend of 1¾%, payable on the 14th day of March to Shareholders of record at the close of business the 28th day of February, 1931.

By order of the Board.

W. P. MacDOUGALL,
Secretary.

THE CANADIAN BANK OF COMMERCE

Dividend No. 176

Notice is hereby given that a dividend of Three per cent on the paid-up capital stock of this Bank has been declared for the quarter ending 28th February, 1931, and that the same will be payable at the Bank and its Branches on and after Monday, 2nd March next, to shareholders of record at the close of business on the 31st day of January, 1931. The Transfer Books will not be closed.

By Order of the Board.

S. H. LOGAN,
General Manager.

Toronto, 16th January, 1931.

DIVIDEND NOTICES

Barcelona Traction, Light & Power Company, Limited

(Incorporated under the Laws of Canada with limited liability)

NOTICE OF PAYMENT OF DIVIDEND ON THE ORDINARY SHARES OF NO PAR VALUE

NOTICE IS HEREBY GIVEN that the Board of Directors have declared a dividend of fifty cents ($0.50) per share on the Ordinary Shares of no par value of the Company, payable on the 14th March, 1931, to all shareholders of record at the close of business on the 23rd February, 1931.

DATED at Toronto, Canada, 10th February, 1931.

R. H. MERRY,
Secretary.

NOTE:

The Transfer Agents of the Company are National Trust Company, Limited, Toronto, Canada.

The London Agents of the Company are Canadian & General Finance Company, Limited, 3 London Wall Buildings, E.C. 2.

Imperial Oil, Limited

DIVIDEND

NOTICE TO SHAREHOLDERS AND THE HOLDERS OF SHARE WARRANTS

Notice is hereby given that a dividend of twelve and one-half cents (12½c) per share has been declared by the Directors of the Company and that the same will be payable in respect of shares specified in any share warrant of the Company of the 1929 issue within three days after the Coupon Serial Number TWENTY-EIGHT (28) of such share warrant has been presented and delivered to ANY BRANCH OF:

THE ROYAL BANK OF CANADA

such presentation and delivery to be made on or after the 2nd day of March, 1931.

Payment to Shareholders of record at the close of business on the 14th day of February, 1931 (and whose shares are represented by share certificates of the 1929 issue) will be made on or after the 2nd day of March, 1931.

The books of the Company for the transfer of shares will be closed from the close of business on the 14th day of February, 1931, to the close of business on the 28th day of February, 1931.

By Order of the Board.

F. E. HOLBROOK,
Secretary.

56 Church Street,
Toronto, Ontario.

Photo Engravers and Electrotypers Limited

DIVIDEND NO. 13

Notice is hereby given that a dividend of Fifty Cents per Share has been declared on the No Par Value Stock of this Company, payable March 2nd, 1931, to Shareholders of record at the close of business on the 14th day of February, 1931. The transfer books will not be closed.

By order of the Board.

JAMES RICHARDS,
Secretary-Treasurer.

Toronto, February 5th, 1931.

Montreal Power Negotiates for Ste. Anne Power System

From Our Own Correspondent

MONTREAL.—Montreal Light, Heat & Power Cons. has informed the town of Ste. Anne de Bellevue, P.Q., that the contract by which the company furnishes power to the town expires in 1933 and that the company does not intend renewing the contract.

Already a survey of the value of the town's electric plant has been made with a view of disposing of the plant by the town to the company. The council has been informed that it costs citizens of Ste. Anne at present 10 cents a kw.h. and that the company promises to supply light at the same rate as in Montreal, that is, at 3 cents a kw.h.

MOISTURE LACK, WHEAT MARKETS LOOKING BETTER

Rise in Values Follows Report of Likely Damage

From Our Own Correspondent

WINNIPEG.—After two weeks of steady and gradual advance in quotations, the 70 cent mark for wheat once more has appeared on the board, for October delivery, with cash prices about seven cents a bushel less. The market is practically back to where it was about the middle of November, having recovered more than ten cents a bushel from the low points recorded in the interval. On the whole, the outlook is more encouraging.

The chief factor has been apprehension as to likely damage to winter wheat in the United States.

In a large number of states the drought which began last summer has never really been broken, and there appears to be a deficiency of subsoil moisture which threatens the welfare of this year's crop. It is not that any real damage has occurred which cannot be overcome, but rather that the winter wheat is an exceptionally vulnerable position for this time of year. In addition the lack of snow cover for the winter crops makes them unusually susceptible to damage from freezing. A mild winter has prevented such damage so far, but there are possibilities of great harm within the next few weeks.

Definite and reliable reports on the matter are lacking, but the nature of some of the buying that has come into the market shows that the situation is seriously regarded.

Dry conditions over a large part of Western Canada, and in the spring wheat area of the northwestern states is also receiving attention from market observers.

Several other factors have contributed to the advance.

Germany by reducing the quota of domestic wheat for use in milling mixtures, has admitted the need of imports of wheat on an increasing scale before the end of the crop year. The government of France has officially declared the need for considerable importations for that country, and Italy has given similar intimations.

The Argentine crop has turned out to be both smaller and of poorer quality than was expected at the end of last year. The Australian crop, although large, has been finding some unexpected outlets both in India and China, somewhat reducing the pressure of that crop upon British and European markets.

While the fall in Chinese exchange has largely cut off shipments from this continent, the fact that Australian currency is at a great discount has made exports from that country to China somewhat easier to arrange. The market also takes note of the move of the Australian government toward bonusing wheat growers, and reads it as an indication that present prices are so low as probably to discourage the seeding again of so large a wheat acreage as Australia had last year.

For a long period conditions surrounding the wheat market were essentially bearish. Whether wheat was at a dollar, or 75 cents or at 50 cents a bushel, it was hard to see anything in the picture that would make prices reverse the steady downward trend. So far as current supplies and current consumption are concerned the situation has not yet been reversed, for there is still a surplus of wheat that is likely to leave a large carry-over at the end of the crop year.

GEORGE WESTON COMMON EARNED $2.60 PER SHARE

Operations of George Weston, Ltd. showed substantial progress in 1930 with net profit from operations at $193,154 as compared with $140,597 in 1929 and $167,594 in 1928. Earnings per share on the 50,000 shares of no par value common amounted to $2.60 as against $1.44 in 1929 and a dividend of $1 per share was paid during the year.

In addition to initial dividend on the common stock the company placed $50,000 to credit of contingent reserve leaving a surplus for the year of $30,154 and increasing the surplus carried forward from $232,791 to $262,945.

Earnings Higher

Details of the income and surplus account for the past two years are as follows:

	1930	1929
Net operating rev.	$210,430	$152,930
Less: Inc. tax res.	17,276	12,333
	193,154	140,597
Less: Pfd. divd.	63,000	68,000
Com. divd.	50,000	......
Conting. res.	50,000	......
Surplus for year	30,154	72,063
Add: Prev. surplus	232,791	160,728
Surplus forward	$262,945	$232,791

Ratio of current assets to current liabilities at 9.21 to 1 compares with 8.25 to 1 in 1929 and 3.66 to 1 in 1928. Cash is up to $141,416 from $51,440; receivables, $42,000 lower at $446,482, and inventories down to $307,798 from $359,410. Payables, including income taxes, amount to $84,726 as against $109,040 in 1929, and there is $12,500 of common dividends payable.

NOTICES

Ex-Air Force gunnery officer has an entirely new invention in aerial machine guns, 2,000 rounds per minute. Would like to meet someone to promote same, or would sell full size working model outright. Box 253, The Financial Post, Toronto.

BUSINESS EXECUTIVE

desires position of trust. Canadian, 36 years of age. Long term experience in Financial Matters, Business Management, Secretary-Treasurer, Organizer, Traffic, Accounting, Sales Supervision. Splendid references. Start at once. Box 255, The Financial Post, 143 University Avenue, Toronto, Ontario.

ACCOUNTANT

progressive, versatile, with executive ability, desires permanent responsible position. Have over twelve years varied and valuable experience with manufacturing firms in all phases of Accounting such as General Accounting, Cost Accounting, Auditing and also Secretary-Treasurer. Excellent references. Replies confidential. Box 254, The Financial Post, 143 University Avenue, Toronto, Ontario.

BARRISTER

Age 30, married, practising in Toronto, desires to enter financial or industrial field. Thorough general business experience. Closest investigation invited. Box 252, The Financial Post, Toronto, Ont.

THE BRITISH AMERICAN OIL COMPANY LIMITED

NOTICE OF ANNUAL MEETING

This Notice is directed to the Holders of Share Warrants. To the Holders of registered certificates there has been mailed a notice of such Meeting.

The 24th Annual General Meeting of the Shareholders of The British American Oil Company Limited will be held in the Alexandra Room, King Edward Hotel, King Street East, Toronto, on Tuesday, February 17th, at 3 p.m., for the purpose of receiving and considering the report of the Directors covering the operations of the Company for the year 1930, to elect Directors for the ensuing year, and for the transaction of any other business that may properly come before the Meeting.

Holders of Share Warrants, by depositing same, together with statement of their name and address, with The Union Trust Company Limited, Victoria Street, Toronto, before the 16th day of February, 1931, will receive therefor a certificate entitling them to attend the above mentioned Annual General Meeting. If any Share Warrant Holder who has complied with the above condition desires to be represented by proxy he may nominate any registered Shareholder for this purpose. Proxy forms may be obtained at the Office of The Union Trust Company Limited, Victoria Street, Toronto, and must, if presented, be authenticated by exhibition of the certificate of deposit of Share Warrants.

Return of Share Warrants so deposited will be made after the Annual General Meeting or adjournment thereof, upon delivering up to The Union Trust Company Limited, the certificate issued in respect of.

P. W. BINNS,
Secretary.

DATED at Toronto, February 7th, 1931.

To the holders of the outstanding bonds of:

THE WEST KOOTENAY POWER AND LIGHT COMPANY, LIMITED.
and
CASCADE WATER, POWER AND LIGHT COMPANY, LIMITED

All of the Series "A", 6%, General Mortgage S.F. Gold Bonds due June 15, 1943, of The West Kootenay Power and Light Company Limited, are to be called for redemption on the next interest date (June 15, 1931) at 104 and accrued interest, and all of the Company's 6% First Mortgage Bonds maturing in 1940 are to be redeemed (September 1, 1931) at 110 and accrued interest. The 4½% First Mortgage Bonds, due March 1, 1940, of Cascade Water, Power and Light Company Limited, are to be redeemed at par.

For the benefit of the holders of the above bonds we have reserved a limited amount of bonds of a new issue of First Mortgage Sinking Fund Gold Bonds, Series "A" 5%, due 1956, of The West Kootenay Power and Light Company, Limited, in exchange for which we will be pleased immediately to accept bonds of the issues now to be redeemed, and to pay therefor the full call price in each case, plus accrued interest, up to March 10, 1931, together with a premium sufficient to compensate for the difference in the coupon rate of interest to the call date on the bonds of the old issues and on the bonds presently to be outstanding.

This offer is subject to immediate acceptance and to withdrawal by us without notice.

The National City Company
Limited
360 St. James Street, Montreal
Tel. LAncaster 8131

The National City organization extends throughout the World

539

NOTICES

TREASURER or COMPTROLLER

seeks new Connection

Thoroughly experienced and successful financial executive desires new connection. Broad experience in both general and cost accounting control systems. Capable organizer, can produce results, introduce economies and establish rigid control over operations. Presently connected as an official of large successful company. Negotiations solicited. Box 248, The Financial Post, Toronto.

Tenders

Sealed Tenders in envelope addressed to the City Clerk, London, Ont., and marked "Tender for Debentures" will be received up to five o'clock p.m. on Monday, February 16th, 1931, for the purchase of $1,218,300.00 of City of London Debentures.

Full particulars of maturities of debentures, rate of interest, etc., may be had on application to the undersigned.

The highest or any tender not necessarily accepted.

ALD. F. H. CURRAN,
Chairman Finance Committee.
JAMES S. BELL,
City Treasurer.

MONTREAL TRAMWAYS COMPANY

Annual General Meeting

NOTICE is hereby given that the Annual General Meeting of the Shareholders of the Montreal Tramways Company will be held at the Company's Offices, Tramways Building, 159 Craig Street West, Montreal, at 12 o'clock noon, on Tuesday, the 31st day of March, 1931, for the reception of the Annual Report, Election of Directors, and the transaction of such other business as may legally come before said Meeting.

NOTICE is further hereby given that immediately after the conclusion of the Annual General Meeting, a Special General Meeting of the Shareholders will be held at the same place for the purpose of considering and, if deemed advisable, of ratifying changes in the by-laws of the Company enacted by the Directors:—

1. An amendment to Section 11 of Article I, dealing with the quorum at General Meetings of the Shareholders.
2. An amendment to Section 1 of Article III., fixing the number of Directors of the Company at ten.
3. An amendment to Section 18 of Article III., dealing with the number of members of Executive Committees of the Directors.
4. The repeal of Section 19 of Article III. which authorizes an Executive Committee to act by the written consent of a quorum although not formally convened.
5. The repeal of Sections 7 to 14 inclusive of Article IV. providing for the issue of share warrants by the Company and determining the forms of such warrants.

The Transfer Books will be closed from the 11th day of March to the 30th day of March, both days inclusive.

By Order of the Board,

PATRICK DUBEE,
Secretary-Treasurer.

Monday, February 9th, 1931.

Gas System is Enlarged

The gas department of the B. C. Electric Company has laid down 480 miles of mains to date in Greater Vancouver, North Vancouver, Burnaby and New Westminster; the present figure being more than treble that of ten years aga, when the pipe mileage was 150.

Announcing

W. R. RAINE & COMPANY

Canada Permanent Building
Toronto

to engage in

A General Investment Banking Business

• • •

Telephone Waverley 1868

GEORGE WESTON LIMITED

(Incorporated January 27, 1928, under the Laws of the Dominion of Canada)

Manufacturers of English Quality Biscuits

Controlling and Operating

WILLIAM PATERSON LIMITED

Manufacturers of Biscuits and Confectionery

Consolidated Balance Sheet as at December 31, 1930

ASSETS			
Current Assets:			
Cash on hand and in bank		$141,416.37	
Accounts Receivable	$469,982.90		
Deduct: Reserve for Doubtful Accounts	23,500.00		
		446,482.90	
Inventories		307,798.87	
			$ 895,698.14
Special Account Receivable:			
Geo. Weston Bread and Cakes, Limited, re purchase of Lawlor's Bread Limited			262,500.00
Prepaid and Deferred Charges			37,012.28
Investments at Cost			185,679.01
Life Insurance Premiums			11,422.90
Fixed Assets:			
Land, Buildings, Plant and Equipment, etc.		$1,301,653.15	
Deduct: Reserve for Depreciation		175,133.35	
			1,126,519.80
Other Assets		53,974.22	
Goodwill		1.00	
			53,975.22
			$2,572,807.35
LIABILITIES			
Current Liabilities:			
Accounts Payable and Accrued Expenses	$67,751.78		
Reserve for Dominion Income Taxes	16,974.39		
		$ 84,726.17	
Dividend Payable, Common, January 1, 1931		12,500.00	
			$ 97,226.17
Special Accounts Payable:			
Bank Loan re Purchase of Lawlor's Bread Limited		150,000.00	
Balance of Contract of Purchase of Lawlor's Bread Limited		112,500.00	
			262,500.00
Contingent Reserve			50,000.00
Sundry Reserves			9,770.55
Shareholders:			
Preferred, 7% Cumulative Redeemable Stock, 9,000 shares, $100.00 Par Value	$900,000.00		
Deduct: 170 shares held by Subsidiary	17,000.00		
		883,000.00	
Common 50,000 Shares No Par Value	1,037,834.38		
Deduct: 1,468 Shares held by Subsidiary	30,469.69		
		1,007,364.69	
		1,890,364.69	
Surplus		262,945.94	
			2,153,310.63
			$2,572,807.35

On behalf of the Board—W. GARFIELD WESTON, President, CHARLES W. KERR, Secretary.

Consolidated Profit and Loss Account for the Year Ending December 31, 1930

Dominion Income Taxes		$ 17,276.42
Dividends:		
Preferred	$63,000.00	
Common	50,000.00	
		113,000.00
Transferred to Contingent Reserve Account		50,000.00
December 31, 1930, Credit Balance carried forward		262,945.94
		443,222.36
January 1, 1930, Credit Balance brought forward		$232,791.44
December 31, 1930, Net Profit for the year		210,430.92
		$443,222.36

CERTIFICATE

To the Shareholders,
George Weston Limited.

We have examined the foregoing Consolidated Balance Sheet of George Weston Limited and its subsidiary, William Paterson Limited, and certify that it is, in our opinion, properly drawn up so as to exhibit a true and correct view of the combined position of these companies as at December 31, 1930, according to the best of our information and the explanations given to us and as shown by the books.

February 6th, 1931.

EDWARDS, MORGAN & CO., Chartered Accountants.

STUDEBAKER SIX
world's lowest priced car with
free wheeling

FREE Wheeling, the greatest automobile advancement since the electric starter, is now yours in a brilliant new Studebaker Six priced from $1025 upward.

It is the same Free Wheeling with positive gear control used in all Studebaker Eights, in Pierce-Arrow and in Lincoln.

It brings you a 12% to 20% economy of gasoline and oil. It saves chassis wear, tires and repairs.

Come, see and drive this brilliant new Studebaker Six. Ride on momentum instead of gasoline—travel five miles for every four miles of engine effort. Shift between high and second at any speed, without touching the clutch. See why highway commissioners and safety directors throughout the country have driven Free Wheeling Studebakers and then voiced approval of Free Wheeling with positive gear control as a new measure of safety to driver and public.

$1155

4-DOOR, 5 PASSENGER SEDAN

OTHER MODELS $1025 TO $1255

All prices at the factory, Walkerville, Ont.—bumpers, spare tires and gov't taxes extra

All Studebaker Cars—The President, Commander and Dictator Eights, as well as the new low-priced Six—have Free Wheeling with positive gear control. Prices range from $1025 to $3465 f. o. b. Walkerville, Ont. Bumpers, spare tires and gov't taxes extra

FRED POWELL MOTORS
472 Yonge Street, Toronto LIMITED Kings. 2121

We have sold and satisfied over 16,000 automobile buyers in 16 years
we have represented Studebaker and Erskine in Toronto

Free Wheeling Studebaker Cars, Commercial Cars, Busses and Trucks.

Reliable Information on Canada's Natural Resources

Is vital to Men of Capital, Development Engineers, and others interested in the development of some branch of Canada's vast mineral, forest and waterpower wealth.

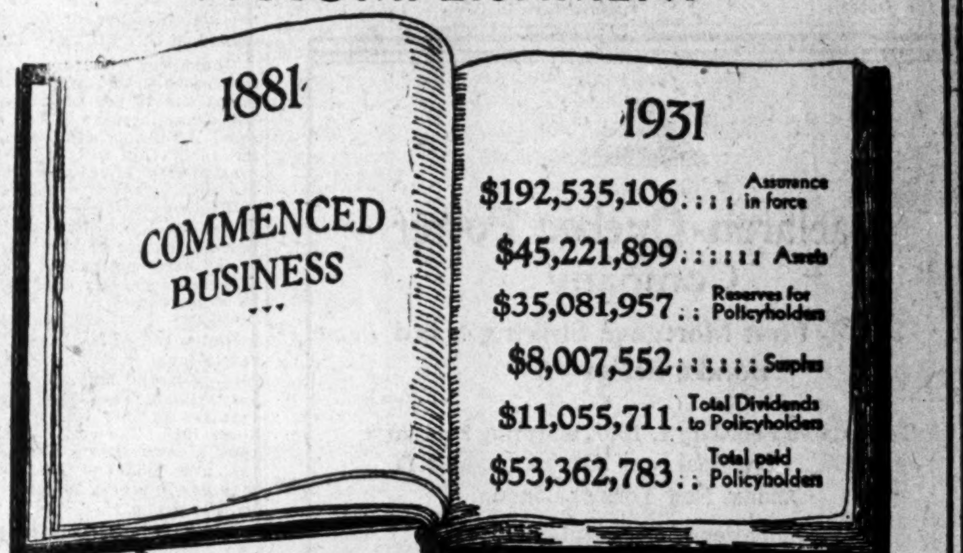
The Canadian National Railways Maintain a Department of Natural Resources Development, manned by men of expert knowledge, who are in a position, not only to make such knowledge available free of charge to those desiring it, but also to act as a medium through which the public may be brought into touch with the possibilities of development of the natural resources in the territories served by the National Railways in all parts of Canada.

A cordial invitation is extended to all those interested, to make full use of the services of this department either in establishing connections or in securing reliable information.

CANADIAN NATIONAL RAILWAYS
Department of Natural Resources Development
W. J. BLACK, Director, Montreal

C. Price-Green, Commissioner, Eastern District, 360 McGill St., Montreal	F. V. Seibert, Supt., Alberta, Saskatchewan and Manitoba, Union Station, Winnipeg	R. C. W. Lett, Supt., British Columbia, 1109 Vancouver Blk., Vancouver, B.C.

A HALF CENTURY OF ACCOMPLISHMENT


1881
COMMENCED BUSINESS
1931
$192,535,106 Assurance in force
$45,221,899 Assets
$35,081,957 Reserves for Policyholders
$8,007,552 Surplus
$11,055,711 Total Dividends to Policyholders
$53,362,783 Total paid Policyholders

During the fifty years the Company has been in existence it has paid to policyholders and beneficiaries over $53,000,000. It now holds for their benefit over $43,000,000. These amounts combined exceed by $5,500,000 the amount received from policyholders.

The new business for the year was $26,856,811. In the past ten years the Company has doubled its assurance in force, its income and its payments to policyholders. Its assets during the same period have increased two and one-half times. They represent $122 for every $100 of liabilities.

Over 75% of its assets are invested in mortgages, government and other bonds and preferred stocks. The market value of its assets exceeds the book value by $378,046—a significant fact in these days of deflated security values.

The interest rate earned on the Company's investments during 1930 was 6.14% practically equalling the interest rate earned in 1929. The total surplus earned in 1930 was $1,918,454.

The Company paid to policyholders in dividends during 1930 the sum of $1,198,418. It will maintain the same satisfactory scale of dividends during 1931.

The North American Life Assurance Company commences its second half century, proud of its record of service and of its present financial position, and confident of the future.

BOARD OF DIRECTORS

President
T. BRADSHAW, F.I.A.

Vice-Presidents
C. W. I. WOODLAND
General Manager for Canada—Employers' Liability Assurance Corporation

W. K. GEORGE
Director—Canadian Bank of Commerce

W. B. TAYLOR, B.A., LL.B.
General Counsel

C. L. BURTON
President and General Manager—Robt. Simpson Co. Ltd.

HON. G. S. HENRY, B.A., LL.B., M.P.P.
Premier of the Province of Ontario

F. S. CORRIGAN
Vice-President and General Manager—General Steel Wares Ltd.

A. C. McMASTER, K.C.
McMaster, Montgomery, Fleury and Co.

F. A. ROLPH
President—Imperial Bank of Canada

A. J. MITCHELL
Vice-President—Western Canada Flour Mills Co. Ltd.

G. H. A. MONTGOMERY, B.A., K.C., D.C.L.
Brown, Montgomery and McMichael

HON. L. A. TASCHEREAU, LL.D., LL.L., M.P.P.
Premier of the Province of Quebec

D. E. KILGOUR, M.A., A.I.A., F.A.S. General Manager and Actuary

NORTH AMERICAN LIFE ASSURANCE COMPANY

HEAD OFFICE TORONTO CANADA

If Maps Don't Lie, They Do, Sometimes, Deceive

To many people who never doubt their geographical knowledge, it is a great surprise to learn that Halifax is nearer to the principal Atlantic ports of South America than is any other North Atlantic port—nearer than New York, for example.

Philips' Table Tells the Truth

The recognized authority on world distances is Philips' Table. In this table you will find, if you look, the following figures:

From Pernambuco:	Miles
To Halifax,	3,541
" New York,	3,678
" Montreal,	4,261
From Rio de Janeiro:	**Miles**
To Halifax,	4,611
" New York,	4,748
" Montreal,	5,331
From Buenos Aires:	**Miles**
To Halifax,	5,701
" New York,	5,838
" Montreal,	6,421

Halifax is the logical port through which to handle South American trade. We have fine facilities now for serving Canadian commerce, at low costs, and are planning steady extension of port equipment.

We invite fullest inquiries.

Please address

Traffic Manager
Halifax Harbour Commissioners
Halifax, Canada

ON SAVINGS

4% Interest

PER ANNUM COMPOUNDED HALF YEARLY SUBJECT TO CHEQUE.

EST. 1855

CANADA PERMANENT
Mortgage Corporation
COR. BAY & ADELAIDE STS. TORONTO

Assets exceed $66,500,000

FOR RENT

Professional Suites
and
Office Space
corner
College & Yonge
Inquiries Invited

McWILLIAMS & BROUGHALL
Agents & Managers
25 King Street West,
Toronto
ELgin 4182

Newsprint Output Drops 7%

According to a survey prepared by the Newsprint Service Bureau, production of newsprint in the United States, Canada and Newfoundland during 1930 was 7 per cent less than in 1929. Imports into the United States were 5 per cent less than in the previous year.

Your Investments

Questions and problems on Canadian investments submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram.

Dominion Square

I notice that Dominion Square Corp. bonds are quoted around 78 bid and 85 asked. Kindly let me have your opinion on these bonds, of which I hold a small block.

Dominion Square Corp. bonds may be considered a fairly satisfactory investment in their class. The location of the building is favorable and we are given to understand that earnings at present are sufficient to cover bond interest requirements. The security behind your bonds is regarded as sound.

Can. Hydro-Electric

I hold some preferred shares of Canadian Hydro-Electric Corp. Please give me your opinion of this stock and some idea of the company's current position.

Canadian Hydro-Electric Corp. has improved its position in the last year and the latest available figures, covering the 12 months ended Sept. 30, 1930, showed earnings equal to $13.49 a share on the first preferred stock.

The company's subsidiaries have expanded their operations substantially, while further extensions are presently underway. Gatineau Power Co., a subsidiary, is installing another 34,000 h.p. generator at its Paugan plant, which will bring the total of power generated on the Gatineau river up to 475,000 h.p. Saint John River Power Co., another subsidiary, is presently generating its full capacity of 80,000 h.p. Both these companies have a substantial portion of their output contracted for on long-term contracts.

Imperial Oil

I have about $125 to invest and have been considering Imperial Oil. I would like your advice as to this purchase which I should like to cash in on by next Christmas.

I am enclosing some specimens of German bonds which I hold. Can you tell me if they are worth anything?

If you are buying Imperial Oil for an indefinite hold lasting years, we would think that you would do well, but in view of the fact that you wish to have your money next Christmas, we would not suggest such an investment as no one can tell for certain just what the effect will be a year ahead of the strenuous attempt made to curtail crude oil production, and the possible increase in tariff of United States against crude oil entering.

Imperial Oil's great subsidiary, International Petroleum, sells a considerable portion of its crude in United States. Although this would not affect its position over a long time, the actual results are uncertain. Over a long term this probably can be expected to survive any troubles of this kind which may develop, and to progress as Canada progresses. You are living in Saskatchewan and know the situation there of farmers and others. That has also a bearing on the earnings position of Imperial Oil, as it along with other companies sell vast quantities in the West.

With reference to your German bonds, The Financial Post does not answer questions with regard to foreign investments.

Second Diversified

A client of ours has a substantial sum invested in the preferred stock of Second Diversified Standard Securities. He is anxious to know whether it would be a good plan to sell his shares and what the financial position of the company is.

As far as we can see there is nothing your client can do at present to improve his position regarding his investment in Second Diversified Standard Securities. Preferred dividends on all three of these Fairhall investment trusts have been suspended, an indication of lower revenue obtained in 1930. The company has published no interim figures but the financial statement for Second Diversified is expected to appear about the end of this month. The outlook for the company is dependent upon market conditions, which, as yet, do not show signs of improvement. We understand there is no market for the stock, so all your client can do is to hold on and wait for further developments.

To Send Son to College

I have been considering investing $2,000 in either Imperial Oil or Imperial Tobacco for a long hold, to enable me to send my boy through college. What would you advise?

You ask our opinion concerning the wisdom of investing $2,000 in Imperial Oil or Imperial Tobacco for a long hold, to enable you to put your boy through college. Not knowing your boy's age, we do not know how long a hold you are considering. It might be for a hold of four years, or it might be for a hold of ten years. In both cases, market valuations are comparatively high because the trading and investing public has great confidence in the future of these companies, and therefore in purchasing stock of these companies you have to take a comparatively low yield, trusting to be rewarded for doing so, by future appreciation and gains in earnings.

Probabilities are that in doing this over a ten-year period you would be amply justified by results in either case, but especially in that of the Imperial Oil Co. However, if your principal object is to have the $2,000 intact and to have a good revenue from it in the meantime, it might be better for you to put your $2,000 into Government bonds, the best municipal bonds, or bonds of the strongest public utilities. This would bring a larger annual return than would stock of Imperial Oil or Imperial Tobacco and if you wished the interest could be deposited in a trust company to make the first amount of $2,000 larger from year to year by the working of compound interest.

Canada Cement

I would like your opinion as to whether you think Canada Cement Co. will continue to pay preferred dividends. I have a block of this stock and would rather sell and take a loss than hold on too long.

Canada Cement preferred is generally regarded as a sound stock in its class. While the earning power of these shares is not infallible, the strong financial and industrial position held by the company points to satisfactory progress in the future. The last annual report of Canada Cement Co. showed its position maintained with earnings, after all charges, equal to $7.46 a share on the preferred.

Ontario Bakeries

Coupons of the first mortgage bonds of Ontario Bakeries Ltd. have been returned unpaid and we should appreciate any information you can give as to the present financial status of this company.

The situation with regard to Ontario Bakeries, so far as it can be ascertained at the moment was in an article in the January 29 issue of The Financial Post.

The company's officials express confidence that they are at the bottom of the depression so far as the baking industry is concerned, and that if bond holders consent to forego or defer interest for a time they will be able to get in fair shape again. Shortly a letter will go to you and other bondholders, calling a meeting of bond holders and either in the letter or at the meeting, the plans of the directors will be outlined.

General Steel Wares

Would you recommend the purchase of General Steel Wares common stock at current levels? I notice that quotations are at a low point.

As you know, the preferred dividend on General Steel Wares will be discontinued until the company's business shows an improvement. Declining commodity prices have necessitated writing down inventories and the financial statement for 1930 will reflect this situation. Until there is a more definite betterment in the company's affairs, the common stock cannot be held to possess much attraction.

Ottawa Valley Power

I would be grateful to you for your advice in regard to the bonds of Ottawa Valley Power Co. and the preferred shares of Foreign Power Securities Corp. Can these be considered satisfactory investments?

Progress is being made with the Chats Falls development of Ottawa Valley Power Co. Initial production has been contracted for on a long-term basis by the Ontario Hydro-Electric Commission, which is estimated to be sufficient to take care of bond interest requirements.

The annual report of Foreign Power Securities Corp. will be available in the near future; we understand earnings should be sufficient to cover preferred dividend requirements.

Amalgamated Electric

Among my holdings are some preferred shares of Amalgamated Electric Co. I understand that earnings were not very good last year. Would you advise me to sell out now or hold? I am prepared to keep the stock for a year or two if it is worth while.

By this time you will have seen the financial statement of Amalgamated Electric Co. covering operations in 1930. While earnings showed a sharp decline and the preferred dividend was not earned, balance sheet position was satisfactory.

We are told that the company has most of its troubles behind it and that difficulties which attended the merger of its component companies have been ironed out. Sales are beginning to increase and the outlook for the current year is considered more encouraging. Whether the company will continue to pay its preferred dividend, it is impossible to say, but its position today is better than it was a year ago. If you are prepared to hold your stock for a year or more, we think it would be better to do so.

International Utilities

I hold a block of Massey-Harris common shares and have been advised to sell this and buy A and B stock of International Utilities. Would you advise this exchange?

Would you advise the purchase of Ontario Mineral Waters Ltd. selling Raysol?

We would advise against the Raysol stock as it is not listed anywhere and has low marketability. The stock is in any case essentially speculative.

Massey-Harris Co. has not only dropped its dividend on common, but has dropped it on the preferred stock and will probably in the year ending November 30 last have earned only sufficient to cover its interest on bonds. The company faces an exceptionally difficult situation in that it is a world company selling to agricultural population, and the agricultural population of the world in almost every country has had its purchasing power badly reduced in the last year on account of the great surpluses produced in all sorts of crops above consuming requirements. The stock is intensely depressed, and it may take some years for it to come back. As farm populations recover purchasing power this will reflect beneficially on the fortune of MasseyHarris. If it can hold the fort in the meantime one who holds stock at present levels should the recovery period profit materially. He has to take a chance in the meantime.

International Utilities has sold most of its utilities, and has, therefore, a strong cash position at present and has become in great part a holding company. In buying it, for a long term you are backing the ability of Chandler & Co., of New York City, who are sponsors of the company, to make wise investments and commitments. Over the last few years their success has been good with this company.

Cost of marketable securities is greater than market value, but this may be a temporary matter. Most of the company's common and preferred stocks are dividend paying. On the whole, International Utilities appears to have an excellent opportunity. The "A" stock is safer.

Lake of the Woods

As a subscriber to your publication I would like to have your advice regarding my holdings of Lake of the Woods Milling common shares. Would you advise holding this stock until conditions improve or would you sell now? I bought at prices well above today's level.

Whether you sell your Lake of the Woods shares depends largely on your other investment holdings of which we have no knowledge. On the whole, however, we think you would be well advised to retain your stock until market conditions improve, at least. As you know, the company sustained a set-back last year in common with other milling companies.

Although milling operations have shown some improvement during the current year, Lake of the Woods has been hampered by adverse conditions in the territory served by its new baking subsidiary, Inter-City Western Bakeries. This company was formed last year and its activities are conducted in all principal cities in Western Canada. Progress has not been on the scale that was anticipated, owing to unprecedented conditions, and Lake of the Woods has suffered accordingly.

The company ranks as one of the leading milling organizations in Canada and should be able to work its way out of present difficulties.

Canada Steamship

Would you advise purchase of preferred stock of Canada Steamship Lines as a speculative investment for a long hold?

Canada Steamships preferred is in a bad situation in that there have been no earnings at all on that stock in 1929 and 1930 and there will have to be an entire recovery in what has been the normal rate of grain carriage through the season before this stock will have a chance to recover. We would advise intending purchasers to wait until they see the annual statement of both 1930 and 1931 before making commitments.

The company is under excellent financial direction and should eventually give a good account of itself if the present difficulties in selling Canadian and United States wheat in British and European markets does not continue too long.

Sterling Tower

Would you give your opinion of the bonds of Richmond-Gay Co., owning the Sterling Tower building? What are the particulars of this issue?

The Sterling Tower Building, 372 Bay St., Toronto, is a 21-story office building located in the heart of the financial district, one block south of the city hall. It is stated to be 98 per cent rented at the present time and earnings are said be be sufficient to cover bond interest twice over. Bonds are still being offered at par.

The 6½ per cent first mortgage bonds dated December 1, 1927, are secured by first mortgage on property valued at some $1,419,000. Bonds are due December 1, 1947, and sinking fund is estimated to be sufficient to retire 50 per cent of the issue by maturity. Bonds are callable at 103.

We would regard this bond as reasonably safe at its price. It would not have a wide market, however.

When Women Invest

A WEEKLY FEATURE

Gypsum, Lime & Alabastine

We have a lady client who holds a block of Gypsum Lime and Alabastine shares. What, in your opinion is the outlook for the company? Should our client sell her stock or would you advise holding on for a year in the hope of obtaining higher prices?

What course your client should take regarding her shares of Gypsum Lime and Alabastine depends largely upon her financial position and her other investment holdings; the price which she paid for her stock is also important. If your client has a well diversified list of securities and is not dependent on income received from her Gypsum shares, the stock might be retained. The company has expanded rapidly, perhaps too rapidly, but expansion undertaken has placed it in a position to take care of business offering when general conditions improve.

It is expected that net earnings for 1930 will be sufficient to cover common dividends at the new rate of 80 cents a share, while the cash position at the end of the year was strong. Substantial savings in labor and production costs have been effected which should find reflection in profits for the current year. The company's research work and merchandising policies are aggressive and over a period of years there is reason to believe that the company will make headway. Accordingly your client might be well advised to retain her stock rather than sell at a loss provided, of course, that she is in a position to hold on.

B. A. Oil Shares

I have a B. A. Oil debenture ($500) which gives the privilege of exchanging for shares at $25 each in 1932. Would you advise selling it and buying B. A. shares at present market value as a profitable investment?

We think that from the safety-first standpoint it would be better for you to continue to hold the B. A. Oil debenture than to exchange even at present prices.

The oil industry is still passing through a period of test and turmoil on account of the huge over-productive capacity for crude oil. The company has an excellent past record in the payment of dividends, but this was obtained in a period where pressure of supplies to find a market was not nearly so hard in even the most competitive times.

Over the long view the company's prospects are good. In 1930 the dividends were earned with a good margin, and officials believe that 1931 will be better still. The company has good management and the exchange you suggest might well prove profitable. However, the debenture has the higher degree of safety.

Selling Syndicate Stock To Build Apartment Hotel

Equity Bond Salesmen Estimate That Cash Given for Carlton-Sherbourne Syndicate Shares Will Draw 80 Per Cent Per Annum

I have been asked to invest with the Equity Bond Corp., Ltd., in a syndicate to acquire a block of land on Carlton St. and Bleecker St., opposite the Allen Gardens. The objective is the building of a 500-room apartment hotel. Syndicate holders will receive 5 shares for 1 when the company is organized.

A company will be incorporated for $2,000,000 of which the syndicate holders will own $1,500,000 and $500,000 will be left in the treasury. Then the company expects to secure a 6 per cent loan of $1,250,000 to build the hotel. The syndicate holders are expected to receive about 80 per cent per annum as dividends on sums invested. The Equity Bond's Toronto office is 501 Concourse Building, Toronto. Has this got a better chance than the Queen's Park Plaza and the Stimson buildings now figuring in the press?

You do well to remember the fate of security holders of Queen's Park Plaza and the great uncertainties now facing holders of securities in the various Stimson enterprises when asked to put money up for a building enterprise on the promise that an apartment hotel built with the aid of money secured by a first mortgage of $1,250,000 would be able, after all expenses, taxes and interest, to pay 80 per cent to members of a syndicate which will own junior shares for the money it puts up.

The Toronto Better Business Bureau, Dominion Bank Building, in answer to enquiries of The Financial Post, states that the manager and trustee of the Carlton-Sherbourne syndicate, whose fiscal agents are the Equity Bond Corp., is G. M. Morgan. The property referred to has a frontage of 205 on Sherbourne street, 196 feet on Carlton street, and 205 on Bleecker street. The Better Business Bureau was informed that the property was acquired by the syndicate in consideration of $170,000 cash and 1,000 $100 units. L. W. Hagg, president of Equity Bond Corp., is one of those who sold the property and it had been taken over in his name in payment of a debt.

Equity of Unit Holders Low

The total capitalization of the syndicate is 3,000 units so that one-third of these units go to owners of the land. The other 2,000 units, after deduction of a 15 per cent underwriting commission, would provide—if sold at par—just enough to pay the $170,000 cash for the property. If the property is worth the actual cash of $170,000 to be paid for it, there would be an equity of $56.67 behind each $100 syndicate share at this stage. The promoters estimate that erection of a building would make the land worth $300,000 or $400,000.

When all the units are sold, according to information given the Better Business Bureau, it is the purpose to incorporate a company with a share capital of 20,000 $100 par value common shares. If five shares are given for each syndicate share as proposed this would take 15,000 shares of a total par value of $1,500,000, leaving 5,000 shares of $500,000 par value in the treasury to be used in the future for additional working capital. The management states its intention to make a progressive building loan on the basis of a first mortgage on the land and building, when completed, for $1,250,000.

The actual cash put in by the syndicate would at this stage show only $11.33 a common share of the new company in cash equity in the land and building, supposing every dollar of such a loan of $1,250,000 could be collected and put into the building. But if all 5,000 common shares in treasury could be sold for the total cash thus added, less a 15 per cent commission, would raise the cash equity to $29.75, which would be good enough for the syndicate partners. It would, however, be so little attractive for the general public who would be asked to provide this additional money that the syndicate shareholders would be well advised not to count his chickens until they are hatched. In other words, the 585-room apartment hotel would have to be built and a pronounced success before such shares would command a market with the general public at par.

The management hopes for earnings sufficient to amortize the mortgage in 10 years and in addition to pay 5 per cent dividends on the common stock.

There is a mortgage of $115,000 on the property at present, and it is understood to be the intention to use the $170,000 cash when it is all provided by those induced to become syndicate holders, to clear off this mortgage first of all. It is also estimated by one of the promoters that the city ought to pay $60,000 or $65,000 for a 26-foot frontage on Carlton street in connection with a plan for widening that street.

May Be Long-time Project

The site, if not the time, is a favorable one for such a project. The syndicate shares are, however, for anybody but the owners of the property a speculation which should not be embarked on unless he has evidence that there is money available to complete the building within a reasonable period and that the funds will be devoted immediately to that purpose. In buying such shares he will be backing his opinion that the building will be completed at a price which will permit the finishing without incurring other capital obligations than those mentioned and that revenues will be reasonably likely to pay all fixed charges including amortization, all expenses including taxes and depreciation and still allow something for common stock.

The first agreement for the purchase of the land does not suggest that the company has arranged as yet for more than the first stage of the plan. By paying $55,000 in cash, of which $20,000 is understood to have been provided already, the syndicate can take over land on April 1, 1931, with a mortgage of $115,000 which will have to be cleared off by the sale of more syndicate shares before the company can expect to think of the next stage.

That will exhaust all the syndicate shares. Then more money will have to be found under suitable safeguards before people can be expected to lend money on a $1,250,000 first mortgage loan. All that money will have to be in sight, or should be, in view of recent fiascos, before building can proceed. That raises the question as to how long it will be before such a building could proceed.

The syndicate agreement is signed by George M. Morgan, manager, and witnessed by A. R. Cochrane. The heads of Equity Bond Corp. are, G. M. Morgan, managing director, L. W. Hagg, president, and J. C. Morrison, secretary.

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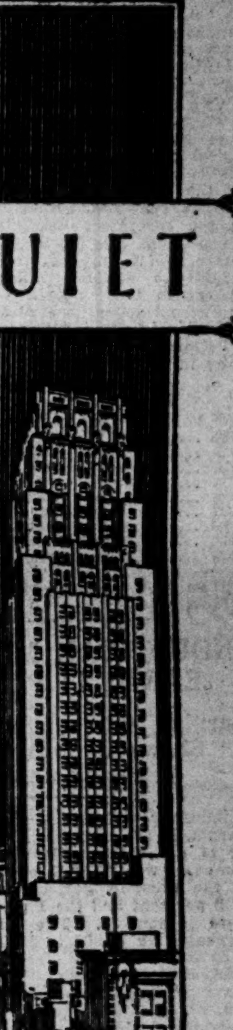

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DOMINION BATTLESHIP LINOLEUM

TRUST & GUAR. PROFIT IS LESS FOR LAST YEAR

Savings Deposits, Estates Department Both Grow in Period

Trusts & Guarantee Co., Toronto, for 1930 earned $136,145, or 6.88 per cent on its paid-up capital of $1,976,770, compared with $144,217, or 7.33 per cent on the paid-up capital of $1,974,228 for the previous year. These figures are after deduction of $17,059 written off assets in 1930, and write-offs totalling $21,665 for 1929, as well as income and other taxes for both years. Dividends continue at 6 per cent annually.

There is growth both in the estates, trusts and agency account and in the guaranteed trust account. Estates, trusts and agencies are up from $29,753,837 to $31,325,570. Trust funds for investments have grown from $5,544,030 to $5,683,709 while savings deposits have increased from $1,808,868 to $1,881,422.

Mortgages held in this department total $4,752,492, compared with $4,632,671, while accrued interest is increased from $134,099, to $153,611. Loans on bonds are up from $81,804 to $144,518. Cash is increased from $215,787 to $376,567. Investment in government bonds is down from $954,965 to $923,938. Municipal bonds, etc., are up from $778,571 to $909,005. Other bonds are less, the amount now being $305,000, compared with $555,000 a year ago.

The company's interest in Trusts Building Ltd., which owns the office premises, is carried at $246,161, as formerly, but there has been an advance of $60,000 to the subsidiary company, for which shares are to be issued, bringing this item to $306,161.

Real estate held for sale is increased from $206,841 to $230,376. Mortgages held under capital account total $116,812, compared with $114,285 a year ago; the increase is mostly in interest. "Other assets" are shown at $266,305, compared with $245,802 a year ago. Loans on stocks and bonds, government bonds, cash, etc., bring the total of company funds to $2,276,039, compared with $2,245,653 a year ago.

Following is the record of the company in recent years:

Earnings Record

Year	Paid-up Capital	*Profits	Earn. %	Div. Rate
1924	$1,431,061	$94,458	6.2	6
1925	1,438,257	93,852	6.5	6
1926	1,442,873	95,186	6.6	6
1927	1,801,349	109,264	6.9	6
1928	1,957,533	135,206	7.3	6
1929	1,974,228	†144,217	7.3	6
1930	1,976,769	136,145	6.8	6

*Ater deducting taxes and amounts written off.
†Less loss on foreclosed properties sold.

BROCKVILLE TRUST INCREASES ITS PROFIT

Deposits Grow 12 Per Cent—Real Estate Holdings Higher

Brockville Trust & Savings Co. in 1930 earned $48,014, or 9.6 per cent, on its capital of $500,000, after all deductions, compared with $44,096, or 8.8 per cent, in the previous year. The last of the expenses in connection with the incorporation of the loan company as a trust company were written off in 1929. In 1930, a further $10,000 was transferred to reserve, bringing that fund to $235,000. In addition, $8,495 was transferred to the contingency fund, bringing that item up to $21,353.

The guaranteed trust account has grown. Trust deposits are up from $496,604 to $555,288. Guaranteed funds are up from $178,400 to $196,500. A new comer in the trust field, the estates, trusts and agency account now totals $30,989, compared with $1,252 a year ago.

Bank Loan Estimated

In the guaranteed trust account are held mortgages to the amount of $686,815, municipal bonds, etc., to the amount of $32,325 and cash of $22,635. With accrued interest, the total is $654,707, compared with $677,736 a year ago.

With the elimination of a bank loan of $79,261, company funds are reduced from $834,310 to $764,074, the only capital liability, except to shareholders, now being the reserve for income tax. On the assets side, are mortgages of $586,924, compared with $715,823. Loans on the company's own stock are reduced from $18,360 to $15,181. Real estate held for sale is increased from $18,049 to $44,966. There is slight change in the holdings of municipal and school debentures, at $26,934. Cash is increased from $2,000 to $50,286.

Following is the record of the company in recent years:

Earnings Record

Year	Paid-up Capital	Profits	Earned %	Div. Rate
1922	$336,625	$35,195	10.4	7
1923	348,900	36,124	10.3	7
1924	350,000	37,236	10.6	7
1925	350,000	36,363	10.4	7
1926	350,000	38,865	11.0	7
1927	350,000	39,820	11.2	7
1928	462,019	†40,778	8.8	7
1929	500,000	†44,096	8.8	7
1930	500,000	*48,014	9.6	7

†Less taxes and incorporation expense.
*Less taxes.

INDUSTRIAL MORT. EARNS 11 PER CENT

Sarnia Company's Report Shows Growth in All Departments

Industrial Mortgage & Trust Co., Sarnia, in the last year earned $69,901, or 11 per cent on its paidup capital, compared with $80,001, or 12.5 per cent, in the previous period. The dividend of 9 per cent and the 1 per cent bonus were continued. The reserve was increased by $6,000 to $580,000.

Estates increased from $261,177 to $356,540. Guaranteed trust account (savings) grew from $2,756,682 to $2,809,190.

Principal of mortgages in the guaranteed trust account total $1,771,557, compared with $1,797,198 a year ago. Accrued interest is up from $71,171 to $78,989. Government bonds are up from $104,881 to $125,757. There is virtually no change in the government guaranteed bonds at $138,957. Municipal bonds are up some $3,000 at $559,541 Other bonds are about the same as formerly at $35,535. Cash is increased from $10,997 to $97,853.

Office premises and fixtures are carried at the former figure of $43,000. Real estate is up from $15,835 to $39,047. Mortgages and agreements for sale have increased some $6,000 to $907,501, while interest is up some $5,000 to $49,371. Loans on collateral are down from $158,008 to $153,900. Municipal bonds are increased from $2,263 to $11,612. Cash is reduced from $66,904 to $44,761.

Following is the record of the company in recent years:

Earnings Record

Year	Paid-up Capital	Profits	Earn. %	Div. Rate
1927	$635,000	$78,479	12.4	9+1
1928	635,000	77,003	12.1	9+1
1929	635,000	80,001	12.5	9+1
1930	635,000	69,901	11.0	9+1

TORONTO SAVINGS PROFIT STILL HIGH

Shareholders Peterborough Company Again Paid 20 Per Cent

Toronto Savings & Loan Co., Peterborough, Ont., for 1930 reports profits after all deductions of $212,526, or 21.2 per cent, on the paid-up capital of $1,000,000, compared with $229,911, or 22.9 per cent, in the previous year. Dividends of 20 per cent were continued, though the regular rate now is 14 per cent, and the extra is 6 per cent, compared with the 12 per cent regular and the 8 per cent extra that were paid in 1929.

Office premises are carried at $70,000, compared with $50,000 a year ago. Real estate is valued at $1,022,002, a reduction from $1,062,626. Rents are virtually the same at $10,456. Mortgages are $788,299, compared with $786,909. Interest is $22,921, compared with $22,198.

Holdings of stocks and bonds have grown somewhat. Government bonds are reduced from $843,250 to $779,034. Municipal and similar bonds are up from $226,321 to $248,556. Other bonds and investments now total $1,277,331 compared with $1,130,280 a year ago. Stocks are carried at $1,786,798, compared with $1,764,100.

Increase in Currency Debentures

Loans on stocks and bonds are about the same at $13,664. Cash on hand is $14,196, compared with $13,658. Cash in banks is $150,496, an increase from $138,327

Debentures issued in Britain are some $10,000 less at $847,927. Debentures issued in this country, however, are increased from $1,273,461 to $1,535,571. Deposits are reduced from $1,562,222 to $1,434,256. The liabilities to the public thus are increased from $3,693,370 to $3,817,754.

The reserve remains at $1,200,000, while the profit and loss account is increased from $58,756 to $71,282.

Following is the record of the company in recent years:

Earnings Record

Year	Paid-up Capital	Profits	Earn. %	Div. Rate
1927	$1,000,000	$157,477	15.8	12+3
1928	1,000,000	165,920	16.5	12+3
1929	1,000,000	229,911	22.9	12+8
1930	1,000,000	212,526	21.2	14+6

EAST LAMBTON LOAN MAINTAINS ITS PROFIT

Net is 7.7 Per Cent After Greater Provision for Reserves

East Lambton Farmers' Loan & Trust Co., Forest, Ont., in 1930 earned $20,381, of 7.7 per cent, on its paidup capital of $262,600, compared with $20,295, in 1929. The dividend of 6 per cent plus 1 per cent extra was continued. The net per share is after a $3,000 appropriation to investment reserve, compared with $2,000 for the same purpose for the previous year.

Debentures held by the public total $295,395, compared with $305,145. Deposits are $178,081, compared with $187,516. Reserve fund now is $112,000, compared with $110,000. This is in addition to the investment reserve, which now is $7,400. Profit and loss balance is $23, compared with $24.

Real estate is valued at $6,835, compared with $6,912. Mortgage investments have grown from $446,782 to $452,559. Interest due and accrued is $22,471, compared with $21,656. Municipal bonds, etc., amount to $36,671, compared with $46,650. Government bonds amount to $45,660, compared with $44,337. All other bonds held are carried at $312,651, compared with $321,073. Cash now is $4,609, compared with $1,351 a year ago.

Following is a record of the profits in recent years:

Earnings Record

Year	Paid-up Capital	Profits	Earned %	Div.
1927	$244,800	$28,599	11.6	6
1928	261,530	27,093	10.5	6+1
1929	262,600	*20,295	7.7	6+1
1930	262,600	*20,381	7.7	6+1

*Less $2,000 in 1929; $3,000 in 1930; set aside as an investment reserve; $1,900 for income and corporation tax, 1930; and $2,100 for 1931.

GUELPH & ONT. MAINTAINS PROFIT

Gain For Year Slightly Above That of Previous Period

Guelph & Ontario Investment & Savings Society for 1930 reports $112,601, or 11.6 per cent, profit on its paid-up capital of $965,080, compared with $112,226, or virtually the same rate, for the previous year. The dividend of 8 per cent was continued. These profits are calculated after deducting taxes. The reserve fund remains the same at $869,435, but $35,000 is appropriated for contingent reserve. There was a similar appropriation a year ago, but the balance sheet indicates that this was used in 1930.

Office premises, as formerly, are carried at $30,000. Real estate held for sale is up from $71,939 to $77,500. Principal of mortgage investments is increased from $3,824,305 to $4,023,180. Interest due and accrued is up from $94,395 to $112,771. Loans on the society's own stock are increased from $8,723 to $9,422. Loans on other securities have been increased from $35,870 to $38,804. Holdings of government, municipal and other bonds are reduced from $696,529 to $637,001. Guelph Trust Co. stock is carried at the former figure of $258,000. Cash in banks is reduced from $125,650 to $76,479, while cash on hand is down from $20,644 to $10,016.

Debentures issued in Canada have grown from $2,142,244 to $2,266,825 There is a further slight reduction in the debentures issued in Britain, the total now being $65,202. Savings deposits are down slightly at $1,016,437.

Owing to the death of T. A. Keatings first vice-president, John Armstrong was appointed a director. Following is the record of the company in recent years:

Earnings Record

Year	Paid-up Capital	*Profits	Earn. %	Div. Rate
1927	$965,080	$102,544	10.7	8
1928	965,080	108,815	11.2	8
1929	965,080	112,226	11.6	8
1930	965,080	112,601	11.6	8

*Less taxes.

Guelph Trust Co. Profit Up Slightly

Guelph Trust Co., controlled by Guelph & Ontario Investment & Savings Society, had net profits of $31,924, or 10.6 per cent on its paid-up capital of $301,000 for 1930, compared with $31,376, or 10.4 per cent on the capital of $299,000 for the previous year. Dividends of 5 per cent were continued while $10,200 was transferred to reserve. Of this amount, $200 was premium on stock sold. The reserve is now $120,850.

Estates, trusts and agencies account is reduced from $1,848,465 to $1,445,491. Guaranteed trust account is about $900 less at $480,312.

Company funds are increased from $448,500 to $467,449. Of these totals, mortgages and interest now total $437,660, compared with $418,100 a year ago. Changes in the holdings of government bonds, etc., are negligible.

Following is the record of the company in recent years:

Earnings Record

Year	Paid-up Capital	*Profits	Earn. %	Div. Rate
1927	$299,000	$25,583	8.5	5
1928	299,000	29,933	10.0	5
1929	299,000	31,376	10.4	5
1930	301,000	31,924	10.6	5

*Less taxes.

CHANGE IN RETURNS ALTERS DETAILS OF WEYBURN SALE

Shareholders Get Only $100,000 Cash on Basis of New Statement

Shareholders of the Imperial Bank have been notified of a special meeting called for March 17 to consider the acquisition of the Weyburn Security Bank. The terms of the purchase involves a cash payment of $100,000 by the Imperial Bank and also transfers to Weyburn shareholders all non-current loans, real estate other than bank premises, mortgages on real estate sold by the bank, and other assets as at December 31, 1930.

According to the bank's statement as of December 31, these assets total $576,727 and the total amount received by Weyburn shareholders will be $676,727 as previously reported in The Financial Post. The cash payment amounts to $15.25 per share on the 6,557 Weyburn shares outstanding.

Substantial changes during December were made in the four nonliquid items which Weyburn shareholders are retaining. The net increase amounts to $69,336 chiefly due to an increase in non-current loans from $92,453 as at November 30, 1930, to $174,611 as of December 31, 1930, a change of $81,783 due chiefly to non-payment of current loans maturing during December. Real estate held, in addition to bank premises has increased $1,589 to $149,740 and mortgages gained $13,612 to $231,140. Other assets declined by $19,648 to $21,611.

Loans Not Paid Off

On the basis of the November bank statement, and information available as to the total amount to be paid for the bank, the shareholders would have received $25.75 per share in cash. The changes made during December were much greater than has been the case in previous months and reduced the cash payable per share to $15.25. A large number of loans to farmers in the west mature during the fall months and conditions were such in the area served by the Weyburn Security Bank that a number of these loans were not paid when due and became noncurrent assets.

Shareholders of Weyburn Security Bank meet on March 16 to ratify the terms of the purchase which has the full approval of directorates of both banks. A two-thirds majority of the capital stock of each bank must favor the sale before it can become effective. It is understood that the Imperial Bank is already represented by its officers in several of the Weyburn branches and that these branches will be officially taken over in the latter part of April.

The terms of the purchase agreement in part as submitted to shareholders of the Imperial Bank with the notice of meeting, are as follows:

1. The Weyburn Security Bank hereby sells and the Imperial Bank hereby purchases all the undertaking, assets and rights of the vendor of whatsoever kind and wheresoever situated.

(a) Pay to the vendor the sum of $100,000;

(b) Transfer to the vendor (without recourse against the purchaser) the following items shown as assets in the vendor's statement to the Government as of December 31, 1930, namely:—

(1) Non-current loans;
(2) Real estate other than bank premises;
(3) Mortgages on real estate sold by the bank;
(4) Other assets.

(c) Assume and pay all notes of the vendor issued and intended for circulation, outstanding and in circulation;

(d) Undertake, pay, satisfy and discharge all other liabilities and obligations of the vendor of every kind whatsoever.

LANDED BANKING REPORTS PROFITS OF 9.1 PER CENT

Writes Down Western Mortgages to Prepare for Contingencies

Landed Banking & Loan Co., Hamilton, in 1930 earned, after all deductions, $91,635, or 9.1 per cent on its paid-up capital of $1,000,000, compared with $105,811, or 10.5 per cent in the previous year. Dividends have been continued at 10 per cent.

Mortgages held by the company in Manitoba have been written down from their book values by $140,000 in order to meet possible contingencies. This has occasioned the bringing of $100,000 from reserve and about $41,000 from the amount previously set aside for contingencies, leaving $38,734 still at the credit of the latter account.

Holds Less Real Estate

The reserve fund thus is $1,000,000, or 100 per cent of the paid-up capital. C. S. Scott, president, also points out that a recent independent appraisal of the company's office premises valued the property at $202,000 in excess of the $84,000 at which these are carried on the company's books.

Real estate held for sale is reduced from $207,770 to $148,670.

Probably due in part to the write-offs mentioned above, mortgage investments are reduced from $3,364,181 at the end of the previous year to $3,272,564. Despite business conditions, accrued interest on mortgages is less, the amount now being $134,947, compared with $148,507 a year ago.

Loans on the company's own stock are down from $9,068 to $8,625. Loans on other securities are reduced from $109,916 to $85,162. Dominion Government bonds total $232,420, compared with $232,412. Municipal bonds amount to $97,309, compared with $98,426. Other bond investments are $54,495, compared with $54,322. There is a great increase in cash, $175,347 now being in chartered banks, compared with $56,207 a year ago. Cash on hand remains about the same at $5,412.

Savings Deposits Grow

There is an increase in savings deposits and debentures issued in Canada, and a reduction debenture issued in Britain. Savings deposits have grown from $1,525,962 to $1,562,109. Currency debentures are up from $480,813 to $559,285. Sterling debentures are reduced from $121,667 to $82,587.

Following is the record of the company in recent years:

Earnings Record

Year	Paid-up Capital	*Profits	Earned %	Div.
1924	$1,000,000	$131,180	13.1	8+1
1925	1,000,000	110,880	12.0	8+1
1926	1,000,000	129,066	12.8	9+1
1927	1,000,000	118,520	11.9	10
1928	1,000,000	120,269	12.2	10
1929	1,000,000	105,811	10.5	10
1930	1,000,000	91,635	9.1	10

*Taxes deducted.

Low Expense Ratio Shown by Mutual Life

The lowest ratio of expenses to income in the company's history, was reported at the annual meeting of the Mutual Life Assurance Co. at Waterloo this week. The company paid for $60,526,212 of new business and increased its business in force by $31,522,665. Net profits for the year at $5,254,352 show an increase of $211,316 over 1929 and represent $45.04 for each $1,000 of assets.

Special reserves and surplus funds which have been increased to $12,468,000 include general investment reserves and free surplus. Mortality experience is again reported as favorable and the rate of interest earned on invested assets was 6.13 per cent as against 6.3 per cent a year ago.

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GREY & BRUCE ADDS TO PROFITS

Owen Sound Company Increases Reserves in Last Year

Grey & Bruce Trust & Savings Co., Owen Sound, increased its profits in 1930 over the previous year. For 1930, the gain was $45,979, or 8.4 per cent on the capital of $544,700, compared with $41,031, or 7.5 per cent in the previous year. The dividend of 6 per cent was continued. The reserve fund was increased by $5,000 to $75,000. The contingent reserve was increased by $3,167 to $8,399.

Estates and agencies have grown from $189,638 to $305,220. Trust deposits are up from $665,539 to $672,336. Guaranteed investment receipts are increased from $386,490 to $423,522.

Real Estate is Greater

In the guaranteed trust account, mortgages are up from $630,908 to $733,901. Interest due and accrued is $19,504 compared with $17,555. Holdings of government bonds are reduced from $333,460 to $254,844. Municipal bonds are $1,000 less at $75,112. A new item is other bonds at $10,016. Cash is up from $300 to $21,272.

In the company account, office premises and vault are shown at $32,368, as formerly, with depreciation increased from $3,690 to $4,655.

Real estate is increased from $38,893 to $45,962. Mortgages and accrued interest are reduced from $396,474 to $352,966. Loans on the company's own stock are down from $26,367 to $24,262. Other loans are increased from $20,351 to $22,891. Dominion and provincial bonds are reduced from $11,399 to $3,968. Other bonds are down from $140,002 to $123,983. An item which no longer appears is Toronto Power Co. stock at $2,691. Balance in bank is $12,399, compared with $1,320 a year ago, while cash on hand is reduced from $4,327 to $2,380.

Following is the record of the company in recent years:

Earnings Record

Year	Paid-up Capital	*Profits	Earn. %	Div. Rate
1927	$544,700	$33,360	6.1	6
1928	544,700	39,649	7.2	6
1929	544,700	41,031	7.5	6
1930	544,700	45,979	8.4	6

*Less depreciation on buildings and furniture.

Powell River Gets Orders From South America

From Our Own Correspondent

VANCOUVER.—In spite of the general depression in the newsprint business, Powell River Company, largest newsprint manufacturers on the Pacific coast, is going right ahead with the development of markets in South America, and an increasing volume of business is being built up with the Argentine.

Special orders of pink newsprint for the sporting editions of La Critica, one of the largest newspapers of the South American continent, have recently been received.

The new sales arrangements entered into recently with Blake, Moffitt & Towne whereby this firm handles the distribution of Powell River products in the western states is said to be working out advantageously for both parties and there has been a substantial picking up of sales as a result. George F. Steele & Co., New York, still looks after eastern and South American business, while Carmichael & Co. look after the company's Australian interests.

Alberta Supplies Oil

Over 90 per cent of Canada's petroleum comes from Alberta and Turner Valley accounts for over 90 per cent of Alberta's output.

PREMIER TRUST SALE IN TORONTO NOW ANNOUNCED

London Company Profits Reduced Slightly in Last Year

With the annual report of Premier Trust Co., London, is a statement signed by James Gray, president, that the two-thirds of the capital stock originally subscribed by the People's Loan & Savings Corp., had been bought by "strong interests in Toronto, who intend to enlarge and extend the operations of the company and in the near future to open an office in Toronto."

Mr. Gray adds that the trust company is in no way involved in the troubles of the People's Loan, which had to be taken over by the Huron & Erie when an accountant was found to have defaulted.

Profit is 6.5 Per Cent

Profits shown by Premier Trust for 1930 are $12,407, or 6.5 per cent of the $190,000 of capital, compared with $13,128 or 7.2 per cent for the previous year. Dividends were continued at 6 per cent.

Estates, trusts and agency account is reduced from $1,743,297 to $1,726,162. Mr. Gray says that a goodly number of new accounts were added, one account for $600,000 having been retired. Guaranteed trust account is virtually unchanged at $155,231.

In the capital account, changes are slight, the amount standing at $214,030, compared with $211,035 a year ago. The item "other assets" which was at $10,338 a year ago, is reduced to $2,991.

Following is the record of the company in recent years:

Earnings Record

Year	Paid-up Capital	*Profits	Earn. %	Div. Rate
1927	$170,000	$9,943	5.8	5½
1928	180,000	10,937	6.4	5½
1929	190,000	13,128	7.2	6
1930	190,000	12,407	6.5	6

*After deducting amount written off.

Gore District Hold Meeting

At the annual meeting of the Gore District Mutual Insurance Co., held at Galt last week, Hon. Lincoln Goldie, of Guelph, was re-elected president, police magistrate J. R. Blake, vice-president, and J. N. MacKendrick, secretary-treasurer. The three retiring directors, J. N. MacKendrick, A. R. Goldie and H. L. McCulloch, were also re-elected.

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NEW ISSUE

$6,500,000

The West Kootenay Power and Light Company, Limited

First Mortgage Sinking Fund Gold Bonds
Series "A", 5%

Dated March 1, 1931 Due March 1, 1956

Principal and semi-annual interest (March 1 and September 1) payable in Canadian gold coin or its equivalent at the principal offices of the Bank of Montreal in Montreal, Toronto, Halifax, Quebec, Ottawa, Winnipeg, Regina, Calgary, or Vancouver, or in United States gold coin of or equal to the present standard of weight and fineness, at the agency of the Bank of Montreal in New York City, or at the fixed rate of $4.86 2/3 to the pound sterling at the chief office of the Bank of Montreal in London, England. Coupon bonds in denominations of $1,000 and $500 registerable as to principal only. Redeemable in whole or in part on any interest date prior to maturity at the option of the Company or for Sinking Fund purposes on thirty days' notice at 105 during the first 5 years and thereafter at a decreasing premium of 1% of the principal amount for each 5 year period, with accrued interest in each case to the date of redemption.

TRUSTEE: THE ROYAL TRUST COMPANY, MONTREAL

The Consolidated Mining and Smelting Company of Canada, Limited, will unconditionally guarantee payment of the principal, premium (if any) and interest of the Bonds, such guarantee to be endorsed upon each Bond.

Mr. J. J. Warren, President of The West Kootenay Power and Light Company, Limited, and of The Consolidated Mining and Smelting Company of Canada, Limited, has summarized his letter to us as follows:

The West Kootenay Power and Light Company, Limited, owns and operates three hydro-electric plants on the Kootenay River, British Columbia, and is building a fourth, on completion of which its total installed capacity will be 219,000 h.p. The Company has been granted rights to undeveloped powers on the Pend d'Oreille River and elsewhere amounting to more than 300,000 h.p.

The Consolidated Mining and Smelting Company of Canada, Limited, owns all the outstanding common stock of The West Kootenay Power and Light Company, Limited, and is its principal customer. Power is distributed through wholly owned subsidiaries to other mining companies, towns and communities in southern British Columbia.

Capitalization: On completion of the present financing the capitalization of the Company will be as follows:

	Authorized	Outstanding
First Mortgage Gold Bonds..........	$20,000,000	
Series "A" 5%, due 1956, (this issue)		$6,500,000
Preferred Stock 7% Cumulative ($100 par)........................	500,000	500,000
Common Stock ($100 par)...........	14,500,000	6,112,000

On completion of the plant now under construction this issue will represent less than $30.00 per h.p. installed.

The First Mortgage Bonds will be authorized in a total amount of $20,000,000 of which Series "A", $6,500,000, will be presently outstanding. Additional Bonds may be issued to the extent of 75% of expenditures made for additions and extensions to the Company's property and plants provided that net earnings for twelve consecutive months of the fifteen preceding months shall have been equal to at least twice the annual interest charges on all the bonds theretofore issued and also on those then proposed to be issued. Such additional bonds may be issued from time to time in one or more other series payable in such currencies and places, maturing on such dates, bearing such rates of interest and having such other attributes as the Directors may determine at the time of issue.

The Company agrees to establish a cumulative Sinking Fund sufficient to retire all the Bonds of Series "A" by maturity.

Net Earnings: Annual net earnings after providing for operating expenses, maintenance and taxes, but before depreciation, and available for bond interest as shown by the Company's consolidated statements were as follows:—

1926	1927	1928	1929	1930
$1,270,638	$1,387,424	$1,580,319	$1,685,154	$1,885,180

Such net earnings for the five-year period averaged $1,561,743 annually or 4.8 times interest requirements of the Series "A" Bonds, and for the year ended December 31, 1930, equalled more than 5.8 times such interest requirements.

Guarantor: The Consolidated Mining and Smelting Company of Canada, Limited, which, in 1916, acquired all the common stock of The West Kootenay Power and Light Company, Limited, will unconditionally guarantee the payment of principal and premium (if any) and interest of the Bonds, such guarantee to be endorsed on each Bond. For the five-year period 1926 to 1930 inclusive (the figures for 1930 being estimated) the Guarantor's surplus earnings after providing for fixed charges but before depreciation, depletion and taxes, averaged $12,615,417 annually.

The Canadian Pacific Railway Company owns over 51% of the outstanding capital stock of The Consolidated Mining and Smelting Company of Canada, Limited, and also owns over 68% of the preferred stock of The West Kootenay Power and Light Company, Limited.

These Bonds are offered when, as and if issued and received by us, and subject to the approval of all legal details by Messrs. Meredith, Holden, Heward and Holden of Montreal, for the Bankers, and by Messrs. Osler, Hoskin and Harcourt, Toronto, for the Company. It is anticipated that temporary Bonds will be ready for delivery on or about March 10, 1931.

Price: 97.50 and accrued interest, to yield 5.18%
(Plus transfer tax)

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SECTION

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BRAZILIAN MOVES AS MARKETS FAVOR DR. VARGAS' PLANS

New President of Republic is Optimistic For Future of Country

REFORM CENT. BANK

To Be Reorganized on Lines of Federal Reserve Bank of United States

Great activity in Brazilian Traction on February 9 with the stock going up again almost to 26 was one of the features of the Canadian stock market, which was generally strong in interlisted issues because of the surprising recrudescence of strength in New York and London.

The particular basis for strength in Brazilian was in the despatches outlining the plans of Dr. Vargas, the new president of Brazil, and his government for stabilizing the milreis and concurrent cables from London to the effect that financial houses there were ready to stand behind any loan needed by Brazil if Sir Otto Niemeyer, lent by the Bank of England as adviser to Dr. Vargas on financial matters, would sanction such a loan.

Declaring that the public coffers were exhausted when the revolutionary government assumed office, the president outlined some of the plans as follows:

"We do not intend to reorganize the banking system, but we intend to reform the Bank of Brazil. We will make it a bank of issue and rediscount. Our principal credit establishment will cease to compete with other banks and its aims will be to establish equilibrium among banks and support the national economic system, similar to the Federal Reserve Bank of the United States.

"Sir Otto Niemeyer (formerly of the Bank of England) will be only our collaborator.

Possibilities of Improvement

"Brazil can improve its situation only in two ways, either by increasing exportation, which would bring gold into the country, or by curtailing imports. It would be impossible at present to increase exportation due to overproduction of coffee.

"I am giving special attention to the steel industry in connection with encouragement of national industries, and I delayed formulation of the national budget to be free to visit the Minas Geraes region and treat with the iron problem. I will go there shortly. The government will examine and annul the large contracts injurious to the country. Among those being studied is the 'Baixada Flumineuse' contract for reclaiming large low land tracts in the state of Rio de Janeiro, and also that for collection of taxes from cable companies which the government formerly failed to do.

"I also expect to unify all national navigation and freight companies under a single directory to cheapen rates.

Seek New Coffee Markets

"Another measure will promote use of an alcohol motor to cut use of gasoline; another will be for exploitation of coal and still another for use of cassava flour bread—a method which still requires study—to reduce the imports of wheat. We are studying plans for substitution of cotton for the jute brought from India for coffee bags, and the government also will seek a new orientation in choosing diplomatic agents abroad along more businesslike lines.

"We cannot maintain an erroneous system of retaining coffee in an effort to valorize it—a system which produced fatal consequences. We must restore liberty of commerce to growers. We are facing the situation fearlessly and the federal government is co-operating with the state governments to acquire the existing stock of coffee, which will be placed on markets other than those regularly used. By means of advertising and commercial treaties, we hope to place this stock on new markets.

"The people have acquired confidence and the situation is improving slowly but firmly."

Excelsior Life Director

PIERRE F. CASGRAIN, K.C., M.P.,
recently elected a director of the Excelsior Life Insurance Co.

Two Canadians Watch Detroit Bridge Progress

Canadian investors in bonds and debentures of Detroit International Bridge Co. are being notified that their respective interests are being guarded through the appointment of Canadian representatives on both protective committees. Committees were organized upon failure of the company to meet debenture interest due on February 1, 1931.

E. G. Long, K.C., is acting on the 6½ per cent first mortgage bondholders protective committee and H. N. Bawden is acting on the corresponding committee acting for debenture holders. Mr. Long is a director of the Mutual Life Assurance Co. and Mr. Bawden is a director of Dominion Securities Corp.

The two committees will undertake an investigation of the company; will seek methods of improving its earnings and, if necessary, will form a plan of reorganizing when a fair estimate of earnings under more normal conditions can be ascertained. It is unlikely that the latter action will be undertaken until the operating results of the next eight months or so will be available.

Bondholders and debenture holders in Canada are being requested to forward their certificates to the National Trust Co., Toronto.

Failure to meet February 1 interest charges on the 7 per cent debentures of Detroit-International Bridge Co. has resulted in the formation of a first mortgage bondholders' protective committee. First mortgage bondholders are asked to deposit their bonds, with Aug. 1, 1931, coupons attached with the Guaranty Trust Co. of New York or the Toronto General Trusts Corp., Toronto, as depositaries for the committee.

The first mortgage bondholders committee consists of C. B. Hibbard, E. G. Long, LeRoy Ballinger, W. E. Stanley and C. T. Ellis. L. B. Soper, 15 Broad St., New York, is secretary of the committee.

This very interesting series of five articles recently published by THE FINANCIAL POST will shortly be available in pamphlet form.

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By Grant Brown

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ROYAL BANK BUILDING TELEPHONE ELgin 8106

INT. PETROLEUM 1930 PRODUCTION CURTAILED 3.5 P.C.

January, 1931, Daily Average is Lowest in Many Months

Total production of crude by International Petroleum Co. during 1930, was 9,766,921 bbls. in Peru and 20,345,916 bbls. in Colombia. Total production declined 3.5 per cent from the 1929 figure. Peru production, curtailed since July, 1930, was 9,75 per cent below the 1929 output, while that of Colombia showed a decrease of only 38,632 bbls. Shipments during November and December have not been reported and figures for the year are therefore not available.

In Peru, the number of new wells completed was 115 as against 177 in 1929, but the average initial flow increased greatly to 519 bbls. from 152 bbls. the previous year. There were 114 wells completed in Colombia with an average initial production of 694 bbls. as compared with 123 wells in 1929 having an average initial flow of 787 bbls.

January Output is Low

The average daily production in Peru during January, 1931, was 25,111 bbls. which is greater than in any month since July, 1930, when curtailment was initiated. The figure is well below that of January, 1930, however, when the average daily production was 29,152 bbls. for a total production of 903,699 bbls. Colombian production during the past month averaged 53,474 bbls. daily which is lower than in any month of 1930. This cut in production in Colombia brings the combined average daily production for the month to a figure lower than in any month in 1930.

The operating figures of the company for December are as follows with the summary of operations for the year 1930 as compared with 1929 in both Peru and Colombia:

Summary of Operations, December, 1930

	Peru	Colombia
Total wells completed .	4	7
Av. initial prod., bbls.	415	1,194
Total crude prod., bbls.	762,860	1,696,367
Shipments, not reported	......	......
Year Ended December 30:	1930	1929
Peru—		
No. wells completed ..	115	177
Av. initial prod., bbls.	519	152
Total crude prod., bbls.	9,766,921	10,821,116
Colombia—		
No. wells completed ..	114	123
Av. initial prod., bbls.	694	787
Total crude prod., bbls.	20,345,916	20,384,548

EXPECT B. C. RULING HELP ASSOC. BREW.

Decision in Favor of Imports Made by Government

From Our Own Correspondent

MONTREAL.—Associated Breweries of Canada is expected to benefit from the recent decision of the British Columbia government to allow importation of beer into the province. Hitherto beer has been available only from a central selling agency set up by the local brewing interests.

It is understood that the new policy favors direct dealing with individual brewers in British Columbia and importation of outside beers by the Liquor Control Board for sale in quantities and brands to suit the public demands. The policy for the present does not include establishment of further breweries in the province.

Withdrew Proposal to Build

Associated Breweries recently announced its withdrawal of a proposal to establish a plant in Vancouver. The company's plants, however, in Lethbridge and Calgary are in an advantageous location to ship their products to the Pacific Coast.

Hitherto sales have been confined to Alberta and Saskatchewan. The company operates four breweries through wholly-owned subsidiaries having an output of all kinds of beer, ale and carbonated beverages.

Fertilizer Production in Canada

Production from plants in Canada engaged primarily in the manufacture of complete fertilizers amounted in value to $2,258,780 in 1929. In addition, fertilizer materials such as calcium cyanamide, ammonium sulphate, animal tankage, ground bone and fish fertilizers were made in factories classified under other industries; in 1929 the production value of these commodities totalled $12,090,768.

Commission is Proposed To Advise on Marketing Diversified Farm Output

Russia's five-year programme and world surplus in wheat have led public men and business leaders in many countries to urge a reduction in wheat acreage and a wider diversification of farm production. In Canada the Agricultural Credits Corporation is being organized to assist western farmers in financing the purchase of live stock. There is in prospect therefore a large increase in mixed farming products and intensive international competition in the sale thereof. The ensuring of markets for Canada's new diversified farm production is of paramount importance. In the absence of these there must eventuate a deflation in price corresponding in principle to that in the price of wheat, thus mitigating largely the anticipated benefits of diversification and creating unfavorable psychological reactions.

Suggest Advisory Board

To aid in finding markets for our farm products and to advise on improved methods of merchandising, an advisory commission on the marketing of Canadian agricultural products has been proposed by John M. Imrie, publisher of the Edmonton Journal. The proposal has been taken up and is being pressed by the Canadian Chamber of Commerce.

The proposed commission would be advisory only, seeking to co-ordinate production and marketing and to stimulate and support existing marketing services rather than to create any new marketing mechanism. It would endeavor to secure for Canada's own farmers the largest possible proportion of their own domestic market. Outside of Canada it would seek to extend present markets, to find new ones, and to study the requirements of both. It would co-operate whole-heartedly with the Federal Department of Trade and Commerce, the Canadian Trade Commissioner Service, related transportation and financial interests, and the various trade channels through which the actual selling would be done.

Tie Up With Credits Corp.

It is proposed that the commission be organized as a necessary corollary of the Agricultural Credits Corporation which it is suggested would be justified in providing the funds for operating costs as a measure of insurance on the money subscribed to a revolving credits fund.

Various groups would be represented on the commission, such as: the Agricultural Credits Corporation, the Federal Department of Trade and Commerce; such technical or semi-technical bodies as the Canadian Research Council, the National Dairy Council, and the Dominion Livestock Union, non-political provincial farm organizations, the Canadian Chamber of Commerce.

Have Psychological Effect

E. W. Beatty's proposal of an Agricultural Credits Corporation had a large secondary value in the evidence it afforded of the willingness of outstanding transportation, financial and business interests to stand behind western farmers in the diversification of their operations. Organization of the proposed commission in Mr. Imrie's opinion would have a corresponding psychological value in the assurance it would provide that similar interests were prepared to assist with the problem of marketing the products of diversified farming. This assurance in turn would tend toward the creation of a new confidence on the part of western farmers, replacing the present hesitation and uncertainty as to the proper procedure in the present agricultural crisis.

ALBERTA PACIFIC WORKING CAPITAL POSITION BETTER

Insufficient to Warrant Dividends, Directors Decide

From Our Own Correspondent

MONTREAL. — While working capital position of Alberta Pacific Grain Co. showed some improvement at the end of 1930 as compared with the end of the company's fiscal year June 30, 1930, the betterment is not sufficient, in the opinion of directors, to justify resumption of preferred dividends. At the end of the last fiscal year current liabilities exceeded current assets by $626,074.

Deliveries of grain at elevators of Alberta Pacific have not been as large as was anticipated a few months ago. This is due to smaller crops than expected in districts where about one-third of the company's elevators are situated and to low market prices. The letter points out that in many cases low prices make it unprofitable for farmers to deliver their coarse grains to elevators.

Deferred in October

The dividend on the preferred shares was deferred in October, 1930, following an unprofitable year of operations. Few shareholders anticipated an early resumption of dividend payments since an issue of $2,500,000 of general mortgage bonds was created and pledged with the company's bankers at the beginning of the current fiscal year.

In addition to the general mortgage bonds there are outstanding $3,119,000 of 6 per cent first mortgage bonds ranking senior to the preferred. There is $3,000,000 of the latter stock outstanding and dividend requirements total $210,000 each year.

Big Loss Last Year

The outlook for the company cannot be judged in the light of last year's operations which were marred by mismanagement and unauthorized transactions. After all charges, but before preferred dividends and income tax there was a deficit of $1,145,921. In the previous year, however, earnings were equal to $34.44 a share on the preferred and $32.15 a share in the year before that.

Losses sustained in 1930 found reflection in a revaluation of common shares in the balance sheet. There are 80,000 shares of "A" and 20,000 shares of no par "B" stock outstanding; these were written down to $1,000,000 or a nominal value of $10 a share as compared with $2,412,355 on the previous year.

Lake Ontario Brewing Plant to be Dismantled

From Our Own Correspondent

MONTREAL. — Efforts to sell the plant of Lake Ontario Brewing Co. have not been successful and it is reported that it will be dismantled and disposed of. The company's assets were offered for sale by tender in November, 1930, and an attempt to dispose of the property by auction was made in December. Both efforts were unsuccessful.

Lake Ontario Brewing was formed in 1926 and 22,000 shares of no par value was sold in 1927 at $25 a share. Rights were offered to shareholders in 1928 to purchase additional stock at $15 a share on the basis of one new share for five held. There are 26,400 shares presently outstanding.

Distillers-Corp.-Seagram December Sales Higher

From Our Own Correspondent

MONTREAL.—It is reported that December business of Distillers Corp. Seagram showed an increase over that of the same month in the preceding year, maintaining increases which had been recorded during the former four months of the current fiscal year. At the end of November it was stated that sales in Canada through the Liquor Commission stores were 20 per cent ahead of last year.

Various negotiations between distillers have been carried on for the past few months, and representatives of liquor syndicates in the United States have been in Montreal discussing the export market. As yet no official statement regarding a definite policy in this market has been announced.

DOMINION GLASS SALES MAINTAINED NEAR 1930 LEVEL

Details of New Property Acquisition Not Yet Completed

From Our Own Correspondent

MONTREAL.—Sales of Dominion Glass Co. to date are reported to be on much the same scale as last year, though during the current fiscal period the company will face a full twelve months operations of the new law governing liquor exports to the United States.

This legislation, which came into effect in June, 1930, only found reflection in three months operations of the company's last fiscal year which closed September 30, Sales of distillers have been hampered, a factor which has affected demand for bottles. Further, there is an increasing tendency toward imports of bottles from the United States.

Earnings Down Last Year

While Dominion Glass maintains a large business in supplying bottles for beverages its output is diversified and includes a wide line of glassware and staple glass products. Earnings, however, were lower in the last fiscal year amounting to $7.64 a share on the common as compared with $9.93 a share in the preceding year. Dividends are paid at the rate of 7 per cent on both the preferred and common.

The company is still negotiating for additional property adjoining its Point St. Charles plant and while headway has been made there still remains some details to be worked out. Dominion Glass has planned for some years to build a larger plant at this point and it may be possible that all operations will be concentrated in Montreal at some time in the future. As yet plans are in an embryo state.

Owns Four Properties

At present the company owns plants in Wallaceburg. Hamilton, Redcliffe, Alta., in addition to the Montreal unit. There has been little change in operating facilities this year; the Redcliffe plant is partially closed, as is usually the case at this time of year. The unit caters largely to a seasonal demand for bottling jars.

The common shares have been slightly stronger on the Montreal Stock Exchange recently and at current levels of around 120 are about 20 points above the low of last year. They are still 100 points below the high of 1929 when trading in the small floating supply pushed the stock up to 220.

Vancouver Building Permits Show Large Gain in January

Vancouver building permits totalled $1,797,550 in January as compared with $866,744 in January, 1930. The large increase was due entirely to issuance of a $1,250,000 permit to the Canadian Pacific Railway for a tunnel. Dwelling house permits amounted to $345,675.

The summary of permits issued by the city during 1930 shows a total of $14,645,600 as against $21,572,727 during 1929. The Burrard St. bridge was the largest project at $1,900,000 while 379 stores and offices amounted to $1,203,911 and 71 apartments are shown at $1,003,460. Workshops, factories and warehouses totalled $843,130 and dwelling houses at $530,122. Of the total, $13,191,828 was in new construction and $1,453,378 was in repairs and alterations.

Guelph Will Finance To Aid Unemployment

From Our Own Correspondent

GUELPH, Ont.—Guelph will issue $20,000 of debentures to permit the diverting of Pond Creek direct to the Speed River with the object of relieving unemployment and the prevention of spring floods.

To date the municipality has spent some $92,000 in making work for the unemployed. No appreciable upward trend in employment has been noted among the industries of the city.

West Kildonan Building

The municipality of West Kildonan, a suburb of Winnipeg, enjoyed the largest building total in its history during 1930 with an aggregate of permits amounting to $230,000, this being $80,000 in excess of the previous year.

UNIT. AMUSEMENT EARNINGS COVER DIVIDEND NEEDS

Profits Below High Peak as Talkie Novelty Wanes

From Our Own Correspondent

MONTREAL.—Patronage at the theatres of United Amusement Corp. is holding up in a relatively satisfactory manner; though earnings are below the level of last year they compare favorably with the five year average. The company has nearly completed six months of its current fiscal year and profits have been sufficient to take care of dividend requirements for the period by a comfortable margin.

United Amusement Corp. operates a chain of 20 moving picture theatres in and around Montreal. Progress has been made in the past two years. In the last fiscal period ended August 31, 1930, earnings were equal to $4 a share on the common stock on which dividends are maintained at the rate of $2 a share.

Has Expanded Property

The company has carried out an expansion programme of considerable proportions in recent years building new theatres and arranging working agreements with others. Sound equipment was installed in all the company's units by the end of last year.

No plans are under way for further immediate expansion, it is understood. The growth of the company's property in the past few years was revealed in the last balance sheet which showed land and buildings valued at $2,643,619 as compared with $1,301,549 in 1927. Last year two new theatres were brought into operation adding over 2,000 to the seating capacity of the chain which now has a total seating capacity of 23,245.

Talkies Proved Beneficial

Earnings of United Amusement Corp., in common with other motion picture exhibitors, responded quickly to the innovation of sound pictures. Dividends on the common shares, which were formerly paid at the rate of $1 a share, were doubled in November, 1929.

The company is closely affiliated with Famous Players Canadian Corp. which holds a minority interest in the common shares, of which there are outstanding 66,016 class A and 8,121 class B. The B shares were offered as rights to shareholders in June, 1929, and rank equally with the A shares with the exception that they have no voting privileges.

Alberta Leads in Hotels

According to the latest computation, there are now 285 hotels in Manitoba, 400 in Saskatchewan and 419 in Alberta.

MONARCH KNITTING REPORTS NET LOSS

Imports, Depreciation in Inventory Are Reasons Given

Monarch Knitting Co., Dunnville, had a net operating loss of $59,613, in the year ended December 31, 1929, before depreciation, compared with an operating profit of $147,642 a year ago. With $35,000 appropriated for depreciation, the same as for the previous year, the net loss before dividends was $94,613. The company paid preferred dividends, by way of arrears, of 7 per cent in 1930, totalling $52,500, so that the surplus is reduced by $147,113, to $498,313. Preferred earnings, after deductions, in 1929, were $15.27 per share.

J. A. Burns, president, states that changes in the tariff should be beneficial to the company. The year's loss was occasioned, he adds, because of the heavy importations, the business depression and the severe depreciation in the market values of wool, silk and cotton in the year.

Working Capital is Lower

Working capital is reduced from $783,401 to $620,519. Cash is down from $62,432 to $48,489. Accounts receivable, less reserve, are reduced from $315,309 to $257,279. Inventories are reduced from $925,677 to $819,751. Bank loans are up from $357,920 to $395,499. Bills payable are reduced from $97,721 to $84,321. Accounts payable are down from $55,853 to $45,731. Total current assets are $1,147,570, compared with $1,326,363 a year ago. Current liabilities are $527,051, compared with $520,017 a year ago.

Depreciated value of plant and equipment is $897,056, compared with $858,342 a year ago. Goodwill, etc., are carried at the former figure of $995,905. Investments are shown at the former figure of $9,833.

INCOME AND SURPLUS ACCOUNT
Years Ended December 31

	1930	1929	1928
	$	$	$
Oper. profits	*59,613	147,642	‡123,140
Add: Proceeds from life insur.	.....	31,901	.....
Less: Res. for depr.	35,000	35,000	.....
Res. for inc. tax	.....	7,023	9,898
W/o invest. ...	.....	22,993	.....
Net profit	*94,613	114,527	113,242
Less appropriations: Pref. dividends .	52,500	39,375	.....
Surp. for year ...	*147,113	75,152	113,242
Add: Prev. surp.	645,426	570,274	456,953
Prev. tax over prov.	.....	.....	79
Bal. carr. forward	498,313	645,426	570,274

‡After all charges and provision for depreciation. *Loss.

East Kootenay Power Cumulative Income Lower

From Our Own Correspondent

MONTREAL. — Though income of East Kootenay Power for December last showed an improvement both in respect to gross and net, returns for the nine months period are below those for the corresponding months of 1929. Between April and December, the company reported a gross income of $410,453 as compared with $455,619 in the last nine months of 1929.

Operating expenses were cut from $157,685 to $132,522, but net revenue for the 1930 period was still some $10,000 lower at $277,931.

DOMINION PALACE MAY BE FINISHED BY END OF JUNE

Four Years After Project Started First Pier Unit is Promised

EARNINGS UNCERTAIN

No Canadian Precedent Exists—Ballroom Unit Will Be Revenue-Producing

Dominion Palace Pier Corp., whose stock has been sold in Ontario and Quebec by Provincial Improvement Corp., expects to see the first unit of its ambitious structure finished by June 30, 1931. This first unit reaches out about 200 feet into the lake from the shore-line and it will have on it the dancing pavilion.

After June 30, therefore, will come the first test of the claims made by the promoters as to the possible earnings of this pier. There is no Canadian precedent to give an inkling as to what the results will be. Structures of somewhat the same nature have been built in England and at Atlantic City, but the dancing pavilion and in fact every department of the pier projected to be erected in the future will have as competitor the Sunnyside pleasure park run by the Toronto Harbor Board.

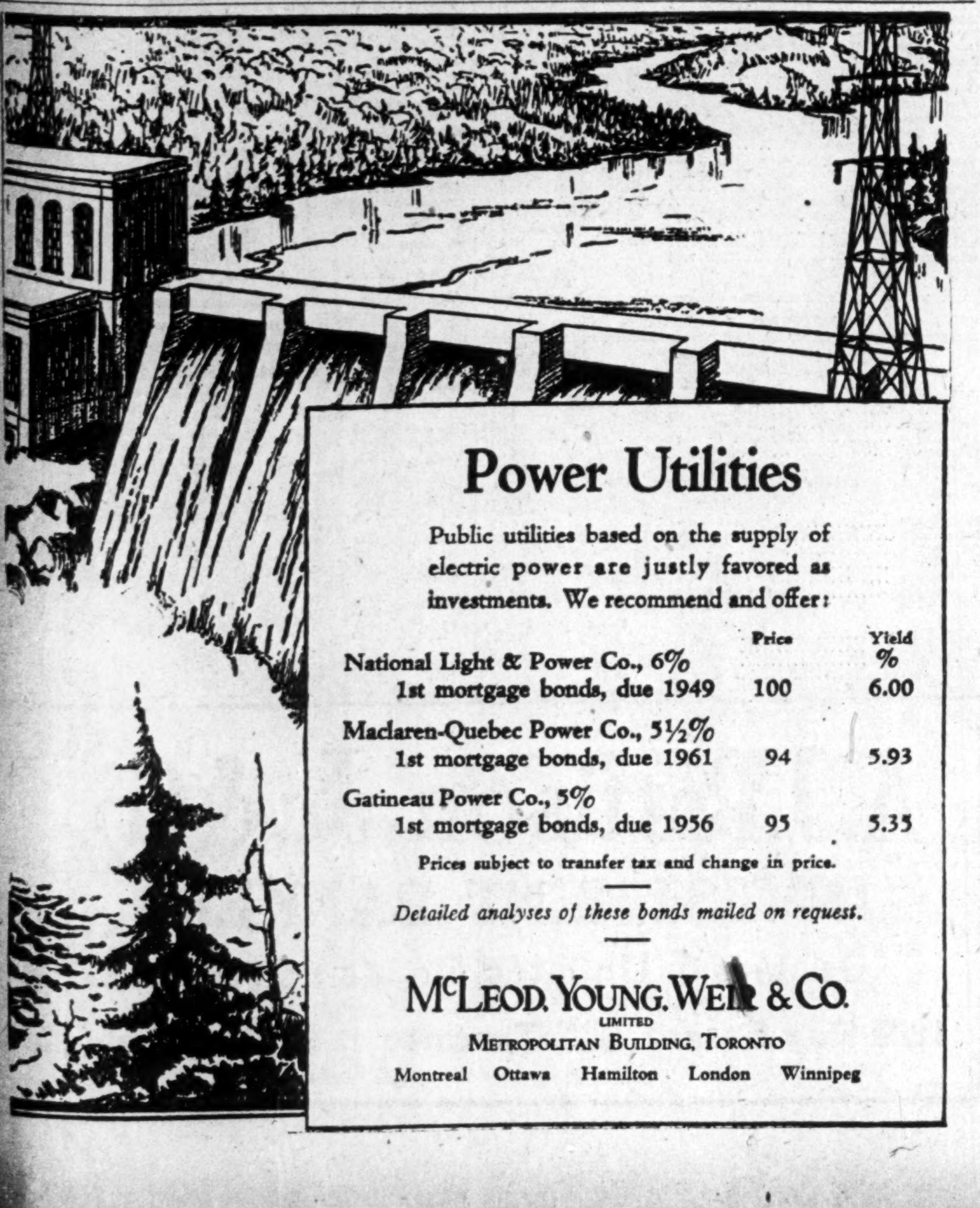
"In a few months," stated an advertisement six months ago in a daily newspaper, "the ballroom unit of Canada's first and the world's finest pleasure pier will be open to the public. It will begin producing revenue from the first without waiting for construction of other parts of the pier."

Government Supervises Payments

This advertisement also said the ballroom unit would be ready for last fall, but now it is expected this coming summer. Much was made of the fact that disbursements were indirectly "under Government control" due to the fact that "the comptroller of the Ontario government is also comptroller of the company." The government felt that by this procedure it was increasing the safety of shares by seeing money was spent on pier.

Dominion Palace Pier Corp. was incorporated under Ontario laws on June 1, 1927, with an authorized capital of $2,000,000 divided into 200,000 shares of $10 par value. Of these shares 199,995 shares were placed with the secretary of the company in trust to be issued on the direction of Provincial Improvement Corp., which had agreed to provide for the erection of a palace pier to cost not less than $1,000,000 at Sunnyside, Toronto, and to pay the

(Continued on page 13)



Power Utilities

Public utilities based on the supply of electric power are justly favored as investments. We recommend and offer:

	Price	Yield %
National Light & Power Co., 6% 1st mortgage bonds, due 1949	100	6.00
Maclaren-Quebec Power Co., 5½% 1st mortgage bonds, due 1961	94	5.93
Gatineau Power Co., 5% 1st mortgage bonds, due 1956	95	5.35

Prices subject to transfer tax and change in price.

Detailed analyses of these bonds mailed on request.

McLEOD, YOUNG, WEIR & CO.
LIMITED
METROPOLITAN BUILDING, TORONTO
Montreal Ottawa Hamilton London Winnipeg

THE SUN LIFE. MONTREAL'S DOMINANT OFFICE BUILDING

Five floors to rent

Office space in the "Tower" part of the Sun Life Building is available for rental purposes. One floor, the 15th, will be ready for occupancy on May 1, 1931. ▼▼▼ Of classic architecture, of splendid proportions, great size and central location, the Sun Life Building is of dominant character. A dominant character which will be shared by those companies taking space in it. ▼▼▼ And the service offered is remarkable. High-speed passenger elevators of the latest type, floors equipped with under-floor ducts so that electrical connections may be made at almost any point, fine freight and mailing facilities, only begin to tell the story. The measures taken to assure the health of those working in the building are even more noteworthy. High up from the ground, and standing back from the street, there is fine natural light. To allow the life-giving rays of the sun to enter, the windows are glazed with "Vita" glass. ▼▼▼ Then the building is completely ventilated. New air is washed, scrubbed and supplied; old air ejected. The temperature is thermostatically controlled, the humidity regulated to meet the optimum living conditions.

Floor Plans are Now Available . . . Telephone or Call for Information

Rental Agents: WALTER MOLSON & CO.
McGill Building, 485 McGill Street, Montreal, Que.
Telephone: MArquette 7301

THE SUN LIFE BUILDING

WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Bongard & Company

Members:

Toronto Stock Exchange
Montreal Stock Exchange
Winnipeg Grain Exchange

Montreal Curb Market
New York Curb (Assoc.)
Chicago Board of Trade

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City and District Bank Reports Record Year

Shows Increases Under Every Heading in Financial Statement

Speaking at the annual meeting of the Montreal City and District Savings Bank, which was held at the head office of the Bank on Monday last, the Honourable Raoul Dandurand, president, in supplementing his printed address to the shareholders, said:—

PRESIDENT'S REMARKS

Gentlemen:

The world wide economic crisis which had its inception towards the close of 1929, continued with unabated severity during the whole of the past year.

Although stunned by the suddenness of the stroke, Canada, owing to her eminently healthy financial situation, did not suffer in the same proportion as other countries by the crumbling of the era of mock prosperity which many people made the mistake of considering a permanent condition. History will record the 1929-1930 crisis as one of the major depressions of the post-war period.

Compared with 1927-28-29, business, it is true, shows a pronounced falling off, but it must be remembered that this period of intense over-production was like the blowing of soap bubbles which only our extreme optimism could clothe with reality. Still, if we consider the average volume of business for the past five years, the comparison is much less unfavorable. Of course quite a number were the victims of flimsy fortunes built on the quicksands of stock gambling and speculation, but we must take into account that, as a sequel to the unfortunate wheat situation, it was only natural that the earnings of many large concerns should show a considerable shrinkage. Everything considered, however, our economic structure has not been shaken by the crisis and our industries have once more shown their strength and that they rest on a solid basis. This is abundant proof that Canada is the land of the future and that we can make no mistake in pledging her our faith with all the resources of our brain and brawn.

You have heard many learned dissertations within the last few months as to the causes of the present depression and the best brains of the financial world are at work to find a remedy for the prevailing evils and particularly the means to prevent their recurrence. Adding to the discussion would serve no good purpose.

But there are many lessons to be drawn from the crisis now happily nearing its end and we would do well to profit by them.

One of these lessons is that there are certain economic laws that are fundamental.

The law of supply and demand is not the least important and the period through which we are passing is convincing evidence that we are ill advised to close our eyes to it.

Next to this is the false economic idea of artificial price-fixing.

But there is another lesson that is still more important. It is that periods of prosperity and depression follow one another with almost mathematical precision and it is the duty of each and every one of us to provide accordingly. The rigorous and systematic saving of a definite percentage of one's income should be the duty of every person conscious of his responsibility and the Bank has been untiring in its efforts to inculcate this highly salutary precept. The Canadian people is noted for its habits of order and thrift and thus it can look to the future with confidence. Nevertheless, how many are in want today and who would not be so, had they followed the example of the many thousands of our Depositors who regularly deposit their savings with us.

Last year we drew public attention to the dangers incident to instalment buying particularly of articles of luxury. Most economists in the United States now acknowledge that the unwarranted growth of this practice has aggravated in a large measure the depression from which they are suffering. We cannot too forcibly reaffirm the principle that the future family budget should not be burdened by such buying. The most elementary notion of prudence would seem to counsel thrift before obligations are incurred rather than after.

The Bank, now in the eighty-fifth year of its existence, is happy to say that it has not suffered from the present world crisis. It notes with pleasure an increase in its deposits, despite the general state of unemployment, and the number of its Depositors is constantly growing.

Moreover, in accordance with its prudent custom, it has further strengthened its position, thus assuring the most ample protection to its numerous clients.

The statement presented herewith is absolutely clear and needs no elaboration. The Bank's investments consist of the highest class bonds which may readily be liquidated, so that the Bank can pay $1.07 for every dollar due to its Depositors. Moreover, these securities appear in its balance sheet at a figure considerably under the current market price.

The premises occupied by the Bank and its branches are its own absolute property, free from all encumbrances, and are carried on its books at less than 50% of their assessed value.

We have further widened our sphere of activity, two new branches having been opened during the year: one at Verdun and the other at the corner of Mount-Royal and DeLorimier avenues.

Although the clouds of adversity have not as yet been dissipated, the dawn of a better day is apearing above the horizon. The stamina of the Canadian people will await it with patience and in the light of a better and more stable era of prosperity the lessons of the period through which we have just passed will not be without profit.

THE MONTREAL

City and District Savings Bank

84TH ANNUAL REPORT 84TH

TO THE SHAREHOLDERS,

Gentlemen:

MONTREAL, FEBRUARY 9th, 1931.

Your Directors have pleasure in presenting the Eighty-fourth Annual Report of the affairs of the Bank and the result of its operations for the year ending December 31st, 1930.

The net profits for the year were $363,022.17 and the balance brought forward from last year's Profits Account was $169,736.87, making a total of $532,759.04. In addition to the quarterly distributions to its shareholders, the Bank contributed from this amount $6,300 to various charitable and philanthropic Funds – independently of the amount of $10,200.00, interest on the Charity Donation Fund distributed as usual—leaving a balance at the credit of Profits Account of $246,459.04 to be carried forward to next year.

In keeping with its policy of expansion, the Bank opened two new Branches in the course of the year: one at the corner of Mount-Royal and DeLorimier avenues and the other in Verdun, on Wellington Street near Galt Avenue.

As usual a frequent and thorough inspection of the books and assets of the Bank has been made during the year.

The Report of the Auditor and the Balance Sheet are herewith submitted.

R. DANDURAND,
President.

GENERAL STATEMENT
DECEMBER 31ST. 1930

LIABILITIES

To the Public:		
Deposits bearing interest including interest accrued to date	$55,269,136.80	
Deposits not bearing interest	144,019.89	
Charity Donation Fund	180,000.00	
Other Liabilities	1,503,814.30	
		$57,096,970.99
To the Shareholders:		
Capital Stock (Amount subscribed $2,000,000), paid up	$2,000,000.00	
Reserve Fund	2,200,000.00	
Balance of Profits carried forward	246,459.04	
		$4,446,459.04
		$61,543,430.03

ASSETS

Cash on hand and in Chartered Banks	$ 7,215,618.84	
Dominion and Provincial Government Bonds	20,868,015.54	
City of Montreal and other Canadian Municipal Bonds and Debentures	22,077,880.48	
Bonds of Canadian School Municipalities	67,504.06	
Bonds of Canadian Public Utilities Corporations	1,963,577.50	
Foreign Government Bonds	10,000.00	
Sundry Securities	200,000.00	
Call and Short Loans, secured by collaterals	7,743,811.11	
Charity Donation Fund, invested in Dominion and Canadian Municipal Securities approved by the Dominion Government	180,000.00	
		$60,326,407.53
Bank premises (Head Office and Branches)	$1,170,000.00	
Other Assets	47,022.50	
		1,217,022.50
		$61,543,430.03

On behalf of the Board,

R. Dandurand
President.

General Manager.

AUDITOR'S REPORT

Having obtained all the information and explanations I have required, and having satisfied myself of the correctness of the Cash Balances and examined the Securities held against the money at Call and Short Notice and those representing the investments of the Bank, and having examined the foregoing Balance Sheet and compared it with the Books at the Head Office, and with the Certified Returns from the Branches, I am of opinion that the transactions of the Bank have been within its powers, and that the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs, as shown by the Books of the Bank.

CHAS. A. SHANNON, L.I.A., C.P.A.,
of the firm of
P.C. SHANNON SON & CO.,
Auditor.

Montreal, January 29th, 1931.

Montreal, Toronto & Curb Stocks

WEEK ENDING FEBRUARY 9

Range 1931 High	Range 1931 Low	Divd. Rate $	Yield in % Feb. 7		Close Feb. 2 (or last)	Week Ending Feb. 9 High	Week Ending Feb. 9 Low	Week Ending Feb. 9 Close
12¼	8¾	.	...	Abitibi, c.	11	11	10	10½
x110	103	7	...	Do. pref.	..	..	..	..
46	39½	6	13.62	Do. pref.	45	46	42	42
8	7	.	...	Agnew Surp., c.	7	8	8	8
88	87	7	7.95	Do. pref.	88	..	..	..
6¼	5	.	...	Alta. Pac. Grain	6	6	5	6
30	30	.	...	Do. pref.	30	..	..	..
3½	3	.	...	Amal. Elec.	3	..	..	..
18	18	3	...	Do. pref.	18	..	..	..
2½	2½	25c	...	Anglo-Nor. Hold.	2½	..	..	..
½	¼	.	...	Asbestos, c.	¼	½	¼	¼
1½	1	.	...	Do. pref.	1	1	1	1
8	6	1	12.50	Assoc. Brew.	8	8	8	8
70	67	7	10.37	Do. pref.	67	67½	67½	67½
10	8½	1.50	15.00	Assoc. Can.	10	..	..	..
87	87	6	6.89	Assoc. Telephone	87	..	..	..
28	12¾	.	...	Atlan. Sugar	27¼	28	25	27
90	79¾	.	...	Do. pref.	90	90	90	90
170½	168¼	10	5.86	Bk. Can. Nat.	170½	..	..	..
290½	279	12+2	4.82	Bk. of Montreal	289	290	288	290
325	315	16	5.03	Bk. of N. Scotia	318	318	317½	317½
232	217	12+1	5.65	Bk. of Toronto	229	230	229	230
22½	22½	1.50	...	Barcelona Tr.	..	22½	22½	22½
5¼	5	.	...	Bathurst Pr.	5	..	..	..
4	3	.	...	Do. (B)	3	..	..	..
x26	26	50c	...	Bawlf Grain	26	..	..	..
x88	74¾	6.50	...	Do. pref.	..	..	..	..
12	12	40c	3.33	Beath & Sons	12	12	12	12
20	16	2	12.50	Beatty Bros.	16	16	16	16
80	75	6	8.00	Do. pref.	75	75	75	75
8¼	7	.	...	Beauharnois	7½	7½	7	7½
x130	90	7	7.60	Belding Cort.	92	..	..	..
x110	98½	7	7.00	Do. pref.	100	..	..	..
55	44	7	15.54	Belgo C. P. pf.	45	44	44	44
151½	141	8	5.28	Bell Telephone	150	151½	149¼	150½
x10½	1½	.	...	Biltmore Hats	1½	..	..	..
x85	65	7	10.76	Do. pref.	65	..	..	..
x22	14	.	...	Bissell	14	..	..	..
x97	88	7	7.95	Do. pref.	88	..	..	..
13	12	2	15.68	Blue Ribbon Cp.	13	12¾	12¾	12¾
34½	30	3.25	10.83	Do. pref.	33½	34	30	30
22½	19½	2	9.52	Brant. Cd. pf.	21	22	21	21
25⅞	20¾	2†	...	Brazilian	22½	25⅞	22¾	25⅞
2	⅞	.	...	Brew. & Distil.	1¼	..	..	..
16½	14⅜	80c	5.42	Brit. Amer. Oil.	14⅞	15	14⅜	14⅜
3½	2	.	...	B. C. Packers	3	3¼	3	3
22	15	.	...	Do. pref.	16	..	..	..
37	34¼	2	5.51	B.C. Power	36	37	36	37
12½	11½	.	...	Do. (B)	12½	12½	12	12½
2	1¼	.	...	B.E. Steel	2	..	..	..
x41	21	.	...	Do. 1st pref.	..	..	..	..
3¾	3	.	...	Do. 2nd pref.	3⅜	3	3	3
x31½	10	2	...	Brompton	10¼	..	..	..
8	7	.	...	Bruck Silk Mills	7½	8	8	8
24¾	22½	2	8.33	Building Prod.	23½	24¾	24	24½
44	40	3	6.89	Burt, F. N.	43	44	42⅝	44
146	145	6	4.11	Calgary Pr.	146	..	..	..
7⅞	7	75c	10.71	Can. Bread	7½	7½	7	7½
100	95	7	7.00	Do. pref. (A)	100	100	100	100
75	62	7	9.58	Do. pref. (B)	70	..	..	..
10½	8¾	1	10.00	Canada Bud	10	10¼	9¾	9¾
13⅛	11⅞	.	...	Can. Cement	12½	12½	11⅞	12⅛
94	91	6.50	6.98	Do. pref.	92	94	92	93½
b34¾	29⅞	3	9.07	Canada Dry	32⅞	34	32	33⅛
x20	10	1.50	...	Can. Forg. (A)	15	..	..	..
x16	5	.	...	Do. (B)	5	..	..	..
67	67	4½	...	Canada Iron	67	..	..	..
75	75	6	8.00	Do. pref.	75	..	..	..
15¼	12½	1.50	9.83	Can. Malting	14½	15¼	14½	15
17	15	80c	5.16	Can. Nor. Pr.	16	15½	15½	15½
106	104	7	6.60	Do. pref.	105½	106	105¾	106
4	2	.	...	Can. Paving	2½	4	2½	4
50	50	7	14.00	Do. pref.	..	50	50	50
214	206	12	5.67	Can. Perman.	211½	211½	210	210
4½	2¼	.	...	Can. Pr. & Pap.	2½	2⅞	2½	2¾
9	4⅞	.	...	Can. Steam.	6	9	6	8
27	16	.	...	Do. pref.	20	27	20½	27
20	18¼	1.60	8.07	Can. Vinegar	18¼	..	..	..
70	65	4	6.15	Can. W. Cable	66	65	65	65
30	28¾	1.75	6.00	Do. (B)	29⅛	..	..	..
10	10	.	...	Can. Bakeries	10	..	..	..
x99	72	7	9.72	Do. pref.	72	..	..	..
232	225	12+1	5.70	Can. Bk. of Com.	227	229	227	227¼
9	9	1	11.11	Can. Brewing	9	..	..	..
36	34½	2.50	7.14	Can. Bronze	35	35	35	35
110	110	7	6.36	Do. pref.	110	..	..	..
13¼	12	1	7.69	Can. Canners	13⅛	13	12¾	12¾
92¼	91	6	6.59	Do. 1st pref.	91	91½	91	91½
14	13⅜	1	7.40	Do. 2nd pref.	13¾	13½	13⅜	13½
19	18	1.75	9.72	Can. Car & Fdy.	18	18¼	18	18¼
25¼	24¼	1.75	6.93	Do. pref.	25¼	25¼	25	25¼
12	10⅛	.	...	Can. Celanese	10½	11	10⅛	10⅛
62	60	3.50	...	Do. pref.	60	60⅛	60	60
x76½	64	5	7.81	Can. Convert.	64	..	..	..
x50	45	.	...	Can. Cottons	50	..	..	..
x83	60	6	10.00	Do. pref.	60	..	..	..
36½	25½	3	8.33	Can. Dredge	30½	36½	30¼	35½
92	92	7	7.60	Do. pref.	92	..	..	..
80½	80½	6	7.45	Can. Fairb. pf.	80½	..	..	..
x20	9	.	...	Can. For. Inv.	9	..	..	..
x90	74	.	...	Do. pref.	74	..	..	..
255	250	8+1	1.60	Can. Gen. Elec.	250	..	..	..
62½	59½	3.50	5.73	Do. pref.	61⅞	62½	60	60
80	70	6	7.50	Can. Hyd. E. p.	78	80	79	79
5¼	3	.	...	Can. Ind. Alc.	4⅛	4⅜	4	4¼
3	2¼	.	...	Do. (B)	3	..	..	..
x8½	5	.	...	Can. Int. I. Tr.	5	..	..	..
69	69	5	7.24	Do. pref.	69	..	..	..
18	15	.	...	Can. Lt. & Pr.	15	18	18	18
x25	25	.	...	Can. Locomo.	25	..	..	..
x76	25	.	...	Do. pref.	33	..	..	..
b4½	1⅞	.	...	Can. Marconi	2⅞	4½	2⅞	4⅜
23½	18	1	4.65	Can. Oil	22	22	21	21½
120	120	8	6.66	Do. pref.	120	..	..	..
43¾	38¾	2.50	5.91	Can. Pacific	42½	43¾	41¼	42¾
5	4	.	...	Can. Vickers	4⅛	..	..	..
30	22	.	...	Do. pref.	26	26	26	26
4½	3½	50c	11.11	Can. Wineries	4½	4½	4¼	4½
16	13	1.50	10.71	Can. Wire Box.	15	14	13	14
3	1⅞	.	...	Carling Brew.	1⅞	2½	2½	2½
x27	12	.	...	Catelli Mac. A.	12	..	..	..
x10	9	.	...	Do. (B)	10	..	..	..
301	290	12+3	4.97	Cent. Can. Loan	300	301	300	301
3.45	2.70	.	...	Chem. Research	2.85	3.05	2.75	2.75
19.00	16.00	2½c	...	Cities Service	17.05	19.00	18.50	18.50
61	57	2	3.33	City Dairy	59	61	60	61
x155	120	7	...	Do. pref.	130	..	..	..
x48	38	.	...	Claude Neon	39	..	..	..
x89	86½	7	...	Do. pref.	..	..	..	..
10	8⅞	60c	6.48	Cockshutt	9⅛	9½	9	9¼
3⅛	3	.	...	Comm. Alco.	3	3⅛	3⅛	3⅛
x18	13	1	7.14	Conduits	14	..	..	..
94	90	7	7.60	Do. pref.	92	..	..	..
12½	8	1	9.09	Cons. Bakeries	11	11⅛	10½	11
3	1½	.	...	Cons. Food Prod.	1½	1½	1½	1½
6	5	.	...	Do. (A)	5	..	..	..
28	28	2	7.14	Cons. Press	28	28	28	28
80	78¼	7	8.91	Cons. Sand. pf.	78¼	..	..	..
150	133	12.50	9.19	Cons. Smelters	137	137	133	136
186	180¾	10	5.39	Consumers Gas	186	186	183	186
x35	30	.	...	Cooksville Co.	30	..	..	..
x85	85	4	...	Do. pref.	85	..	..	..
16½	16½	.	...	Corporate Steel	16½	..	..	..
x90	90	.	...	Corr. P. Box, p.	90	..	..	..
2.10	1.25	.	...	Cosgrave Br.	1.60	1.75	1.75	1.75
9	6	.	...	Cosmos Imp.	8	..	..	..
93	88	7	7.95	Do. pref.	88¼	88	88	88
5	4½	.	...	Crown Dom. Oil	4½	5	4¾	5
15	7	.	...	Crow's N. Coal.	7	12	12	12
.60	.60	.	...	Curtiss-Reid	.60	..	..	..
x8	5	.	...	Do. pref.	6½	..	..	..
5	4	.	...	David & Frere B	5	5	4	5
15	10¼	80c	5.33	De Forest	13½	15	14	15
x16	12	25c	...	De Havilland	12	..	..	..
x15	8	.	...	Disher Steel	9	..	..	..
x18	17	1.50	...	Do. pref.	17	..	..	..
12⅞	9⅛	1	8.33	Distill-Seagram	12½	12¼	12	12¼
223	219½	12+1	5.82	Dominion Bank	223	223	222	223
55	51	3.60	6.66	Dom. Bridge	53⅛	55	53	55
40	40	.	...	Dom. Coal	40	..	..	..
50	45	4	8.79	Dom. Engineer.	48	48	45	45
x14	10	.	...	Dom. Foundries	10	..	..	..
x90¼	76	.	...	Do. pref.	90¼	..	..	..
125	110	7	5.83	Dom. Glass	113	125	118	120
119	119	7	5.88	Do. pref.	119	..	..	..
x36½	18	.	...	Dom. Iron, pf.	18	..	..	..
12	10	.	...	Dom. Pr. Stubs.	10	12	12	12
24	24	.	...	Dom. Steel, pf.	24	..	..	..
7½	5	.	...	Dom. St. & C. B.	6¼	6¼	5	6
18½	13¾	1.20+4a	6.57	Dom. Stores	17⅜	18½	17	18½
10¾	8¾	.	...	Dom. Tar & Ch.	10	10½	10	10
90	86½	6.50	7.51	Do. pref.	86½	86½	86½	86½
81	79⅞	5	6.25	Dom. Textile	80	80½	80	80
120	120	7	5.83	Do. pref.	120	..	..	..
12	10½	.	...	Donnacona	11	11	10½	10½
7	4	.	...	Dryden Paper	6	6	5	5
7½	6	.	...	Duff. Paving	7½	6	6	6
80	80	7	8.75	Do. pref.	..	80	80	80
7½	4	40c	6.66	Durant Motors	5	6	6	6
21½	19	1	5.26	East. Dairies	19	19	19	19
x35	26	1+1	...	East. Steel	28	..	..	..
98	98	7	7.14	Do. pref.	98	..	..	..
x25	18	.	...	East Koot. Pr.	18	..	..	..
94⅝	94⅝	7	7.39	Do. pref.	94⅝	..	..	..
x34	28½	2	7.01	East. Theatres	28½	..	..	..
x85	80	7	8.58	Do. pref.	81½	..	..	..
x10	3½	.	...	Easy Washer	3½	..	..	..
87	84¾	2.50	7.19	Economic Inv.	85	84¾	84¾	84¾
x19	15	1	...	Edmonton D'ry.	15	..	..	..
80	80	6.50	8.12	Do. pref.	80	80	80	80
8	6¾	1	14.80	Enamel & Heat.	8	6¾	6¾	6¾
34	30	3	9.09	Eng. Electric	34	33	33	33
16	16	.	...	Do. (B)	..	16	16	16
35	35	2	5.71	Fam. Players	35	..	..	..
x61¾	37	2	...	Do. Vot. Trust	47	..	..	..
12	11	1	8.33	Fanny Farmer	12	..	..	..
30	28	2.40	8.00	Do. pref.	30	..	..	..
x100	96½	7	...	Farmers' D'y p.	96½	..	..	..
x.25	.10	.	...	Federal Distil.	.25	..	..	..
x83½	75	7	...	Firstbrook Box	75	..	..	..
25	21	1.20	4.89	Ford Motors A.	24	25	23¼	25
15	10	1	8.33	For. Pr. Secs.	12	11	10	10
x16½	8	1	...	Foundation Co.	8	..	..	..
3	2	.	...	Fraser Cos.	3	3	2¾	3
6	6	.	...	Frost Steel	6	..	..	..
96	95	7	7.29	Do. pref.	95	96	95	96
7¼	4⅞	.	...	Gen. Ste. Wares	5¼	5¾	5¾	5¾
100	90	5+2.50	7.89	Goodyear Tire	95	97½	95⅛	97
104	101½	7	6.76	Do. pref.	103	104	103½	104
93¼	93¼	7	7.50	Gould Pumps, p.	93¼	..	..	..
½	½	.	...	Gt. W. Saddlery	½	..	..	..
x15	15	.	...	Do. pref.	15	..	..	..
27½	26	2	7.47	Gurd, Chas.	27	27½	26½	27½
x110	108	7	6.48	Do. pref.	108	..	..	..
12⅞	10¾	80c	6.66	Gypsum, Lime	11½	12	11⅝	11⅝
17	14½	2	12.90	Ham. Bridge	15¼	16	15½	15½
80	73	6.50	8.78	Do. pref.	74	75	73	73½
16	15	2	12.50	Ham. Cot., pf.	16	..	..	..
3½	3½	.	...	Ham. Un. Theat.	..	3½	3½	3½
x82	64	7	...	Do. pref.	75	..	..	..
6	4	.	...	Hayes Wheel	5	6	6	6
x95	80	.	...	Do. pref.	80	..	..	..
x50	50	.	...	Hillcrest Coll.	50	..	..	..
x91	91	7	...	Do. pref.	91	..	..	..
x17	4⅝	.	...	Hinde & Dauch.	5	..	..	..
x120	120	.	...	Holt Renfrew	120	..	..	..
x96¼	90	7	7.77	Do. pref.	90	..	..	..
x13	5	.	...	Honey Dew	6	..	..	..
56½	55	7	12.50	Do. pref.	56½	56	56	56
6	5	.	...	H. Smith Pap.	5	5	5	5
x84	58	6	...	Do. pref.	58	..	..	..
19	18	2	10.52	Humberstone	19	..	..	..
20	18	1+50	7.50	Hunt (A)	20	..	..	..
x30	19	1+50	7.89	Do. (B)	19	..	..	..
150	150	8	5.33	Huron & Erie M.	150	..	..	..
x31	29	.	...	Do. 20% pd.	29	..	..	..
25	22	2	8.33	Hydro Electric	23½	..	..	..
225	217	12+1	5.82	Imperial Bank	223	223	222	223
18⅜	17¼	50+50c	5.63	Imperial Oil	17¾	17⅞	17¼	17½
10	9	35+10	4.73	Imperial Tob.	9½	9½	9⅛	9¼
25	25	2	...	Int. Hyd. E. A.	..	25	25	25
103	101	7	6.86	Inter. Mill., pf.	103	102	101	101
x92	88	6	6.81	Do. Series A.	88	..	..	..
16¾	13⅞	60c	3.90	Inter. Nickel	14½	15½	14	15⅜
10	10	1	10.00	Inter. Paints A	10	..	..	..
b9	6⅞	.	...	Inter. P. & Pr.	8½	8	8	8
b6	5	.	...	Do. (B)	6	..	..	..
b4⅛	2⅜	.	...	Do. (C)	3⅞	4	3¾	3⅞
x40	26¼	7	...	Int. Pap., pf.	38	39	37⅛	39
15½	13⅛	1	7.23	Inter. Pete.	14⅝	14½	13⅛	13¾
7	6	.	...	Inter. Power	7	7	7	7
70⅛	68½	7	10.00	Do. pref.	70	70	69½	69½
40	33	3.50	8.91	Int. Util. (A)	37	40	36¾	40
8	5¾	.	...	Do. (B	7½	7⅝	7⅜	7½
x43	33	1	2.50	Jam. Pub. Ser.	40	..	..	..
x110½	107	7	6.54	Do. pref.	107	..	..	..
5	3¾	.	...	Kelvinator	4¼	..	..	..
x90	73	7	9.58	Do. pref.	..	..	..	..
x40	40	.	...	King Ed. Hotel.	..	..	..	..
24	12	.	...	Lake of Woods.	15	15	14½	15
x122	110	7	6.36	Do. pref.	110	..	..	..
8¾	5	.	...	Lake Sup. Corp.	8	5½	5½	5½
x190	180	10	5.34	Landed Banking	187	..	..	..
45	38	3	7.14	Laura Secord	40½	45	41	45
12	10	1	8.33	Lindsay, C. W.	12	..	..	..
72¼	70	6.50	9.28	Do. pref.	70	..	..	..
12⅝	11	80c	6.40	Loblaw (A)	12	12⅝	12	12½
12¼	10	80c	6.66	Do. (B)	11¾	12¼	11¼	12⅛
x2¾	2⅜	.	...	Loews, London	2¾	..	..	..
25	10	.	...	MacKin. Steel	20	20	20	20
95	92	7	7.60	Do. pref.	92	..	..	..
x36	20	.	...	Manitoba Pr.	20	..	..	..
8	7	.	...	Maple Leaf	7	..	..	..
37	35	.	...	Do. pref.	35	35	35	35
32	30	.	...	Marcus Loew's	30	..	..	..
71	71	7	9.85	Do. pref.	71	..	..	..
10⅛	6	.	...	Massey-Harris	6¾	8	6⅝	8
22	17	60c	3.15	McColl. Fron.	19	20	18¾	19¼
80	78	6	8.00	Do. pref.	75	..	..	..
45	43	.	...	Mexican L. & P.	45	..	..	..
x69¾	69¾	7	...	Do. pref.	..	..	..	..
x25	25	.	...	Mercury Mills	25	..	..	..
x89	58½	.	...	Do. pref.	58½	..	..	..
x41	40	.	...	Mitchell, J. S.	40	..	..	..
x104	104	7	6.73	Do. pref.	104	..	..	..
17½	15	1	5.88	Mitchell, Robt.	17½	17	17	17
‡20	20	.	...	Monarch Knit.	20	..	..	..
x65	54	.	...	Do. pref.	..	..	..	..
95½	95	6	6.31	Montreal Cot.	95½	95	95	95
100	100	7	7.00	Do. pref.	100	100	100	100
3	3	.	...	Montreal Ex.	3	..	..	..
x39	25	.	...	Mont. Is. Pr.	25	..	..	..
56¾	54¼	1.50	2.72	Mont. L. & Pr.	54½	56	54¼	55⅞
x50	48	3+25	6.77	Montreal Loan	48	..	..	..
50	48	3.20	6.40	Montreal Tele.	49	50	50	50
166	165	10	6.02	Mont. Trams.	166	166	166	166
17¾	16	1	6.15	Moore Corp., c.	16½	16½	16	16½
108½	102	7	6.86	Do. (A)	105	102	102	102
126	115	7	6.08	Do. (B)	120	120	115	115
x10	10	.	...	Mt. Royal Hotel	10	..	..	..
x49	49	2	...	Do. pref.	49	..	..	..
3¼	2	.	...	Muirheads	3	3¼	2⅞	3¼
6	6	75c	12.50	Do. pref.	6	..	..	..
31	26	1.60	5.33	Nat. Brew.	28½	31	28½	30¾
31¼	29	1.75	5.83	Do. pref.	30	..	..	..
x10	3	.	...	Nat. Brick	3	..	..	..
17	17	3	17.64	Do. pref.	17	..	..	..
.50	.25	.	...	Nat. Distilleries	.25	.25	.25	.25
109	109	8	7.33	Nat. Groc., pf.	109	..	..	..
36	33½	2	5.79	Nat. Steel Car.	34	34¾	34	34¾
360	335	14	4.18	National Trust	335	..	..	..
x21	17	1.50	...	Niag. W. Weav.	17	..	..	..
x45	35	3	...	Do. pref.	35	..	..	..
x90	89¾	.	...	Nor. Mex. Pr.	..	..	..	..
x90	69½	7	...	Do. pref.	69½	..	..	..
6.00	5.50	.	...	North Star Oil.	5.50	5.50	5.50	5.50
4.90	4.80	35c	7.29	Do. pref.	4.80	4.80	4.80	4.80
x25	22¼	.	...	N.S. Steel. pref.	22½	..	..	..
285	258	8+5	5.03	Ogilvie Flour	280	270	258	258
127½	125	7	5.49	Do. pref.	125	127½	127½	127½
21	19	6	2.92	Ont. Eq. 10% p.	20½	20½	20	20½
118	118	6	5.08	Ontario Loan	118	..	..	..
x22	7½	.	...	Ont. Silknit	7½	..	..	..
13	13	1.60	12.30	Ont. Steel	13	..	..	..
x105	105	7	6.66	Do. pref.	105	..	..	..
1	1	.	...	Orange Crush	..	1	1	1
60	56½	7	11.66	Do. (A)	56½	60	60	60
x15	4	.	...	Do. (B)	4	..	..	..
98	93	6	6.45	Ott. L. H. & Pr.	96½	93	93	93
103	103	6.50	6.31	Do. pref.	103	..	..	..
x34	30	.	...	Ott. Traction	30	..	..	..
88½	82	5	5.73	Page Hersey	86	88½	85	88
41½	41½	4	9.63	Paramount	41½	..	..	..
x50	25	.	...	Paton Mfg.	32	..	..	..
x95	95	7	...	Do. pref.	95	..	..	..
x3	½	.	...	Pelissiers	½	..	..	..
x68¾	50	.	...	Do. pref.	50	..	..	..
73	69½	4	5.71	Penmans	70	70	69½	69½
x102	99¾	6	5.94	Do. pref.	101	..	..	..
.55	.50	.	...	Perfection Glass	.50	..	..	..
23	18	2	8.88	Photo Eng.	22½	23	22¼	23
40	29	7	...	Port Alfred, pf.	29	..	..	..
x92	84	7	...	Porto Rico P. p.	84	..	..	..
xb103	20	7	...	Postal Tele.	..	..	..	..
52	50⅝	2	3.92	Power Corp.	51	51¾	50¾	51½
102	98	6	5.97	Do. pref.	100	100½	99½	100⅛
4½	4⅛	.	...	Prairie C. Oil	4½	4⅛	4⅛	4⅛
15	10	50c	3.44	Pressed Metals	14	15	14	15
42¾	39	2	5.12	Price Bros.	39	39	39	39
99	95	6.50	6.70	Do. pref.	95	97	95	95
16¼	12	1	...	Pub. Util. Inv.	12½	..	..	..
44	40	2.50	5.81	Quebec Power	42	44	42	43½
[illegible]	105	7	6.66	Real Estate Ln.	105	..	..	..
[illegible]	2½	.	...	Regent Knit	2½	3	3	3
[illegible]	5½	.	...	Reliance Grain	8	9	9	9
[illegible]	12½	2	14.28	River. S. Mills.	14	..	..	..
[illegible]	15	1.50	7.50	Robinson Cone	20	..	..	..
[illegible]	272	12+2	5.01	Royal Bank	278	280	278½	280
[illegible]	80	7	8.38	Ruddy, E. L. p.	83½	..	..	..
[illegible]	79⅝	5+1	7.43	Russell Motor	79¾	..	..	..
[illegible]	95	7	7.36	Do. pref.	95	..	..	..
[illegible]	7	2	...	Sarnia Br. (A).	7	..	..	..
[illegible]	5	.	...	Do. (B)	7	..	..	..
[illegible]	31	2.60	8.88	Serv. Stn. Eq.	31⅝	31½	31	31⅜
[illegible]	88½	6	6.76	Do. pref.	89	88¾	88¾	88¾
[illegible]	49¼	2.50	4.83	Shawinigan	49⅞	51¾	49⅞	51⅝
[illegible]	26¾	1.80	6.31	Sher.-Wms.	28½	28½	28½	28½
[illegible]	119	7	5.88	Do. pref.	119	..	..	..
[illegible]	20	2.50	12.19	Simon & S.	21	21	20	21
[illegible]	91½	7	7.60	Do. pref.	90	92	91½	92
[illegible]	89	6½	7.20	Simpson Ltd.	90½	90½	90	90
[illegible]	45	2	4.44	Do. (A)	45	..	..	..
[illegible]	33⅛	.	...	Do. (B)	33½	33⅞	33⅞	33⅞
[illegible]	106	6	5.66	Simpson, R.	106	..	..	..
[illegible]	2¾	.	...	St. Law. Corp.	2¾	2¾	2¾	2¾
[illegible]	10	2	...	Do. (A)	10½	11	10	10
[illegible]	16¼	.	...	St. Law. Flour	16¼	16½	16½	16½
[illegible]	82	7	8.53	Do. pref.	82	..	..	..
[illegible]	2	.	...	St. Law. Paper.	2	..	..	..
[illegible]	22	6	...	Do. pref.	23½	25	22	22
[illegible]	25	7	...	St. Maur. V. pf.	30	..	..	..
[illegible]	30	1	3.33	So. Can. Pr.	30	..	..	..
[illegible]	104¾	6	5.68	Do. pref.	105	105½	105½	105½
[illegible]	3	.	...	Sprucolite	3	..	..	..

x Quotations for 1930. No sales recorded in 1931 to date.
a. Stock dividend.
b. New York quotations.
† Quarterly div. payable March 2 in stock in lieu of cash.
‡ Quotations for 1929.

Unlisted Canadian Securities

(Furnished by A. J. Pattison Jr. & Co. Limited)
Feb. 10, 1931

Industrial Stocks	Bid	Asked
Andian Nat. Corp.	24.50	28.00
Border Cit. Htl. pf.	....	19.00
Brand.-Henderson 7% pfd.	87.50	95.50
Brewing Corp. of Can. com.	....	2.25
Brewing Corp. of Can. pfd.	9.00	12.50
B.C. Pulp & Paper com.	2.00	4.00
B.C. Pulp & Paper 7% pfd.	....	64.50
Canada Biscuit pfd.	....	12.00
Can. Crush. Stone pfd.	61.00	....
Can. Dom. Sugar c.	16.00	19.00
Can. Machinery c.	7.00	10.00
Can. Mach. 7% pf.	23.50	33.50
Can. Packers c.	20.00	26.00
Can. Pack. 7% pf.	93.00	97.50
Can. Wire & Cable 6½% pfd. w.w.	101.00	....
Can. Indust. c. 'A'	133.00	170.00
Can. Indust. c. 'B'	133.00	170.00
Can. Indust. 7% p.	118.00	124.00
Can. Westinghouse	73.00	78.00
Chase, A. W., 8% pfd.	40.00	48.00
Clifton Co. Ltd.	....	126.00
Cons. Oka Sand & Gravel	5.00	12.00
Copeland Flour 6% pfd.	9.00	17.00
Dom. Alloy 8% pfd.	1.00	2.00
Dom. Alloy c.	....	.25
Dom. Foundries & Steel 8% pfd.	66.50	71.00
Dom. Foundries & Steel com.	9.00	12.00
Dom. Mfrs. com.	7.50	....
Dom. Mfrs. pfd.	76.50	....
Dunlop Tire 7% p.	101.00	106.00
Eastern Car 6% pf.	61.00	76.00
Eastern Dairies 7% pfd.	95.00	100.00
Edmonton Stock Yds pfd. bonus	....	75.00
Frost & Wood c.	5.00	11.00
Goderich Elevator	15.25	17.50
Greening Wire 7% pfd.	97.00	102.00
Guardian Realty pf.	55.00	....
Inter-City Bak. c.	47.00	65.00
Inter-Proprie. "A"	31.00	33.50
Loew's London c.	.85	2.00
Loew's London 7% pfd.	2.00	3.75
Milton Brick com.	....	21.00
Nat. Grocers c.	1.10	2.10
Nat. Grocers 2nd pfd.	48.00	58.00
Para. Kitchener pf.	27.00	....
Para. Oshawa c.	11.00	....
Provincial Paper pfd.	80.00	90.00
Rogers Maj. Corp.	10.50	13.50
Rolland Paper pfd. Bonus	....	74.00
Service Stations "A" pfd.	77.50	83.00
Stand. Clay Prod. c.	26.00	34.00
Stand. Fuel Pfd.	74.50	84.00
Superior Petroleum "B" pfd.	20.00	26.00
Toronto Ball Club	....	60.00
Toronto Brick pfd.	68.00	80.00
Toronto Carpet c.	111.00	....
Toronto Carpet 8% pfd.	100.75	112.00
Toronto Elevator 7% pfd.	....	90.00
Toronto Housing c.	31.25	39.00
United Amuse. "A"	25.00	34.00
Western Grain pfd. Bonus	....	85.00
Willards Choc. 8% pfd.	57.00	64.00
Willards Choc. c.	2.00	4.00
Insurance Stocks:		
Br. Amer. Assce.	51.00	....
Canada Life	675.00	735.00

	Bid	Ask
Canada Nat. Fire	....	28.00
Can. Fire Insur.	79.00	90.00
Capital Life 20% pd.	....	26.50
Commercial Life 10% pd.	....	27.00
Confed. Life 20% pd.	245.00	305.00
Continental Life 20% pd.	70.00	80.00
Crown Life	270.00	385.00
Dominion Fire	106.00	127.50
Dom. of Can. Gen.	240.00	300.00
Dom. Life. 50% pd.	330.00	415.00
Excelsior Life 30% pd.	105.00	128.00
Fed. Fire 25% pd.	32.00	....
Fidelity Ins. of Can.	95.00	135.00
Great West Life	460.00	530.00
Guar. Co. of N.A.	250.00	....
Imperial Life	400.00	455.00
Manufacturers Life	340.00	380.00
Monarch Life 10% pd.	32.00	40.00
National Life 25% pd.	108.00	130.00
Sask. Life 10% pd.	18.50	22.00
Sovereign Life 25% pd.	32.00	40.00
Sun Life	1,450	1,550
Western Assurance	44.00	50.00
Western Life 20% pd.	12.50	19.00
Trust & Loan Stocks:		
Br. Mtge. & Trust	209.00	240.00
Can. Gen. Inv. Trust 1st	....	60.00
2nd Can. Gen. Inv.	10.00	14.00
Capital Trust	71.00	81.00
Chartered Trust	103.50	117.00
Commercial Fin. pf.	47.50	60.00
Commercial Fin. c.	5.00	11.00
Deb. & Sec. c.	72.00	92.00
Deb. & Sec. pfd.	60.00	70.00
Guelph & Ont. Inv. Par $50	63.00	69.00
Lambton Loan & Sav.	78.00	100.00
London & West. Tr.	....	182.50
Midland Loan & Sav.	19.00	26.00
Mtge. Disc. 6% pf.	4.00	5.25
Mtge. Disc. c.	.40	.65
Mutual Fin. com.	5.00	8.00
Mutual Fin. pfd.	5.00	8.00
Sec. Loan & Sav.	110.00	130.00
Sherbrooke Trust	114.00	....
Sterling Trust	87.00	....
Traders Finance "A" pfd.	....	83.00
Traders Finance "B" pfd.	....	83.00
Traders Finance c.	....	17.00
Trusts & Guarantee	87.50	92.50
Waterloo Trust & Sav.	124.00	150.00
Power Issues:		
B.C. Elec. Pwr. & Gas pfd.	102.00	104.25
Calgary Power pfd.	90.50	94.50
Can. Northern Pwr. pfd.	105.00	108.00
Can. West. Nat. Gas LH&P pfd.	89.00	94.00
East Kootenay Power pfd.	95.00	100.00
Great Lakes Pwr. pfd.	94.50	97.50
N.B. Pwr. 1st pfd.	56.00	66.00
N.S. L&P pfd.	93.00	97.00
Ottawa LH&P 6½% pfd.	102.00	106.00
Power Corp. 6% pf.	100.00	103.00

Recent London Quotations:

Brewer Distillers	4s. 10½d.
Can. & For. Sec.	7s. 3d.
Can. West. Lumber	2s.
Hudson's Bay	33s. 1½d.
Do., 5% pfd.	77s. 6d.
Internat. Holding	2 15/16
Wall Paper Mfg.	30s. 9d.
Pref. 5%	18s. 4½d.

Dividends Declared

	Annual Rate	Div. Declared	Date	Record
Agnew Surpass, pref.	7%	1¾%	Apr. 1	Mar. 16
Belding Corticelli, pfd.	7%	1¾%	Mar. 14	Feb. 28
Bank of Montreal	12+2%	3%	Mar. 2	Jan. 31
Bank of Toronto	12+1%	3%	Mar. 2	Feb. 14
Brazilian Tr.	...	...	‡Mar. 2	Jan. 31
Barcelona Traction	...	50c	Mar. 14	Feb. 28
Bk. Canadienne Nationale	10%	2½%	Mar. 1	Feb. 14
Can. Hydro Electric	6%	1½%	Mar. 1	Feb. 2
Can. Pr. & Pap. Invest. pfd.	5%	1¼%	Feb. 16	Jan. 20
Can. Converters	5%	1¼%	Feb. 16	Jan. 31
Can. Bank of Commerce	12+1%	3%	Mar. 2	Jan. 31
Canadian Oil, com.	$1	25c	Feb. 14	Jan. 31
Do., pref.	8%	2%	Apr. 1	Mar. 20
Consolidated Sand, pfd.	$7	$1.75	Feb. 16	Jan. 31
Canadian Car, com.	$1.75	44c	Feb. 28	Feb. 14
Can. Northern Power, com.	80c	20c	Apr. 25	Mar. 31
Cosmos Imp., pref.	7%	1¾%	Mar. 15	Jan. 31
Can. Wire & Cable "A"	$4	$1	Mar. 15	Feb. 28
Do.	...	$1	June 15	May 31
Do.	...	$1	Sept. 15	Aug. 31
Do.	...	$1	Dec. 15	Nov. 30
Do., "B"	...	43¾c	Mar. 15	Feb. 28
Can. Pacific Rly.	10%	2½%	Apr. 1	Mar. 2
Do., pref.	4%	2%	Apr. 1	Mar. 2
Canada Vinegars	$1.60	40c	Mar. 2	Feb. 14
David & Frere "A"	$2.25	56c	Mar. 16	Feb. 28
Dominion Bridge	$3.60	90c	Feb. 14	Jan. 31
Distillers-Seagrams	$1	25c	Feb. 15	Jan. 31
East Kootenay Power, pfd.	7%	1¾%	Mar. 16	Feb. 28
Eastern Theatres, com.	$2	50c	Mar. 2	Jan. 31
Fire Insurance of Can.	...	$6	Feb. 16	Jan. 31
Foreign Pr. Secs., pfd.	6%	1½%	Feb. 16	Jan. 31
Foundation Co.	$1	25c.	Feb. 14	Jan. 31
Howard Smith Pap., pref.	6%	1½%	Mar. 2	Feb. 20
Hollinger Mines	65c	1%	Feb. 25	Feb. 11
Inter. Milling, pref.	7%	1¾%	Mar. 2	Feb. 18
Do., Series "A"	6%	1½%	Mar. 2	Feb. 18
Inter. Nickel, c.	60c	15c	Mar. 31	Mar. 2
Imperial Oil	50c	12½c	Mar. 2	Feb. 14
Kelvinator, pref	7%	1¾%	Feb. 15	Feb. 5
Lake of Woods Mill. pfd.	7%	1¾%	Mar. 2	Feb. 14
Langley's, pref.	7%	1¾%	Feb. 15	Feb. 1
Loblaw Grocet. "A" & "B"	80c	20c	Mar. 2	Feb. 12
Laura Secord, com.	$3	75c	Mar. 2	Feb. 16
Lindsay, C. W. pref.	6½%	1⅝%	Mar. 2	Feb. 14
Do., com.	$1	25c	Mar. 2	Feb. 14
McIntyre Mines	20%	5%	Mar. 2	Feb. 3
McColl Frontenac	60c	15c	Mar. 14	Feb. 14
Med. Hat Greenhouses pfd.	7%	1¾%	Feb. 15	......
N. S. Light & Pr. pref.	6%	1½%	Mar. 2	Feb. 14
Ontario Steel Products	$1.60	40c	Feb. 16	Jan. 31
Do., pref.	7%	1¾%	Feb. 16	Jan. 31
Page Hersey, com.	$5	$1.25	Apr. 1	Mar. 20
Do., pref.	7%	1¾%	Apr. 1	Mar. 20
Power Corp. com.	$2	50c	Feb. 20	Jan. 31
Penmans	$4	$1	Feb. 16	Feb. 5
Photo Engravers	$2	50c	Mar. 2	Feb. 14
Quebec Power	$2.50	62½c	Apr. 15	Mar. 28
Rolland Paper, pfd.	6%	1½%	Mar. 1	Feb. 16
Reliance Grain, pref.	6½%	1⅝%	Mar. 14	Feb. 28
Royal Bank	12+2%	3%	Mar. 2	Jan. 31
Southern Can. Pr. com.	$1	25c	Feb. 16	Jan. 31
Spooner Oils	...	6c	Mar. 10	Mar. 1
Standard Paving & Mat.	$2	50c	Feb. 16	Jan. 31
Do., pref.	$7	$1.75	Feb. 16	Jan. 31
Simon & Sons	$2.50	62½c	Mar. 1	Feb. 20
Do., pref.	7%	1¾%	Mar. 1	Feb. 20
Windsor Hotel, pfd.	6½%	1⅝%	Mar. 1	Feb. 15

‡Stock dividend.

Listed Bond Quotations

Week Ending February 9

Montreal	Int. Rate	Due	Yield	Latest Ask	High	Low	Range, 1931 High	Range, 1931 Low
Abitibi, 1st Mtge.	5	1953	7.03	†74½	...	...	78	77
Asbestos	5	1942	5.00	105	...	...	x105	99½
Asbestos, 1st Mtge.	6	1941	...	...	20	...	20	20
Do., gen. mtge.	6	1956	...	14	...	...	x41	25
Can. Cons. Rub.	6	1946	5.74	...	...	...	x103¾	102½
Can. Cottons	5	1940	7.12	...	...	...	x85	...
Can. Forgings	6	1942	...	†99	...	...	...	...
Can. Locomotive	6	1951	6.34	94	...	...	x96	...
Can. Pr. (Laur. ser.)	5½	1958	...	17	17	16	28¼	16
Do., (Way. ser.)	5½	1958	...	†16	17	16	28½	15
Can. S.S. deb.	5	1943	...	...	...	...	x98¼	94
Cedars Rapids	5	1953	4.79	105	...	...	x102⅞	99⅜
Dom. Canners	6	1940	5.60	†103	...	...	x103	...
Dom. Coal	5	1940	5.30	†98	...	...	x97¾	95⅛
McNish	6	1948	...	3.00	2.50	...	2.50	2.30
Mont. L. H. & Pr.	4½	1932	...	†99½	...	...	98⅞	98⅝
Mont. Tr. 1st mtge.	5	1941	4.97	...	100¼	...	100¼	100
Mont. Tr. "A"	5	1955	5.57	93	92½	92¼	93	91
Mont. Tr. G.&R. 'B'	5	1955	5.55	93	...	...	92½	92⅝
Do., "C"	4½	1955	5.78	85½	...	...	85	84
Do., "D"	5	1955	5.57	93	...	...	92½	...
N. S. Steel	5	1959	9.20	...	58	...	58	...
Ogilvie Flour "A"	6	1932	5.82	†100	100¼	...	100¼	...
Do., "B"	6	1932	5.80	†100	...	...	x101	100
Do., "C"	6	1932	...	†100	...	...	x103	100
Ont. Steel	6	1943	...	106¾	...	...	...	...
Porto R. Pr.	5	1936	6.53	...	...	...	93	...
Steel of Can.	6	1940	4.95	†105¾	...	...	107½	...
Wabasso	6	1947	...	101	...	...	...	...
Wayagamack	6	1951	...	85	...	...	x98	86
West. K. Pr.	6	1940	...	...	...	...	...	...
Winn. Elec.	5	1935	5.19	†106	...	...	106	106
Toronto								
Canada Bread	6	1941	5.78	†102	...	...	x98¼	...
Postal Tel.	5	1953	...	...	...	...	x104	101
					...	...	x95	88¾

† Latest bid.
x Quotations for 1930. None recorded in 1931 to date.

Dominion Govt. Bonds (Montreal)	Int. Rate	Due	Yield	Latest Ask	High	Low	Range, 1931 High	Range, 1931 Low
War Loan	5	1931	3.25	†100.90	100.95	100.70	100.95	100.65
Do.	5	1937	3.97	†105.35	105.50	104.90	105.50	104.00
Victory Loan	5½	1932	4.23	103.50	103.35	103.05	103.50	103.00
Do.	5½	1934	4.50	103.45	103.40	103.05	103.45	102.95
Do.	5½	1937	4.04	†108.15	108.30	108.15	108.30	107.05
Do., refund	4½	1940	4.53	100.10	99.90	99.70	100.25	99.40
Do., refund	5	1943	5.57	104.10	104.00	103.75	104.10	103.50
Do., refund	4½	1944	4.50	100.15	100.00	.....	100.55	100.00
Do., refund	4½	1946	4.49	100.20	100.20	.....	100.45	100.20
Do., renewal	5½	1932	4.55	†101.90	101.85	101.70	101.85	101.55

Active Current Bond Prices

February 10

	Bid	Asked	Yield
Dominion of Canada 5½/33	103.25	103.75	4.10
Dominion of Canada 5½/34	103.25	103.75	4.40
Dominion of Canada 5/43	103.75	104.25	4.55
Dominion of Canada 4½/46	99.50	100.25	4.45
C. N. R. 4½/54	98	99.25	4.53
C. N. R. 5/54	103.50	105	4.65
C. N. R. 4¾/55 (D. of Can.)	102	103.50	4.40
C. N. R. 4½/56	98	99	4.55
C. N. R. 5/69	104	105.75	4.65
Prov. of Ontario 4½/44	98	100	4.50
Prov. of Ontario 5/48	103.25	104.75	4.60
Prov. of Ontario (Hydro) 4¾/70	101	102.25	4.65
Prov. of Quebec 4½/50	99	100.75	4.40
Prov. of Quebec 4½/56	99	100.75	4.40
Abitibi Power & Paper 5/53	75	78	6.95
Algoma Steel Corp. 5/62	59	63	6.30
Argentine Govt. 6/58 Series "B"	90	92	6.70
Bell Tel. of Canada 1st 5/57	103.50	105	4.65
Brazil U. S. Ext. S. F. 6½/57	64	67	9.50
British American Oil 5/45	98.25	100	5.00
Brit. Col. Power 5½/60	101	102	5.35
Brit. Col. Telephone 5/60	95	97	5.20
Calgary Power 5/60	94	97	5.20
Canada Cement Co. 1st mtge. S.F. 6½/47	99	101	5.40
Canada Northern Power 5/53	89	90.50	5.75
Canada Power & Paper 5½/58	14	18	...
Can. Light & Power 1st S. F. 5/49	92	95	5.50
Canada S. S. Lines 1st and Gen. 6/41	58	63	...
C. N R. Dom. Can. 4¾/55			
C. P. R. Coll. Trust 5/54	103	105	4.45
C. P. R. Secured 4½/44 Notes	97	99	4.60
Chile Republic Ext. S. F. 6/60	79	82	7.50
Colombia Repub. Ext. S. F. 6/61	66	69	...
Davies Wm. 6/42	90	93	6.90
Dominion Steel Corp. 6/39	80	85	8.63
Dominion Square Corp. 5/48	78	82	6.80
Dominion Tar & Chemical Debs. 6/49	99	101	5.90
Dominion Textile 6/49	105	106	5.45
Duke Price Power 1st 6/44	103.25	104.50	5.70
Eastern Dairies Conv. 6/49	96.50	100	6.00
Eaton T. Realty 5/49	92	95	5.35
Foreign Power Secs. 6/49	96	100	6.00
French Nat. Mail Ext. S. F. 6/52	102	104	5.65
Gatineau Power 1st Mtge. 5/56	93	96	5.40
Gatineau Power S. F. Debs. 6/41	91.50	95	6.70
Howard Smith Paper Mills 5½/53	73	78	7.40
Manitoba Power 1st S. F. 5½/51	94	98	5.65
Massey Harris Co. 1st Mtge. 5/47	80	86	6.30
Montreal Coke 1st S. F. 5½/47	101.25	102.50	5.25
Montreal Island Power 5½/58	98	100	5.50
Montreal Power 5/51	102	104	4.70
Montreal Tram. 1st Coll. Trust 5/41	99.25	101.50	4.80
Montreal Tram. Gen. Ref. 4½/55	84	87	5.45
Montreal Tram. Gen. 5/55	92	94	5.40
Moodie J. R. 6/48	97	100	6.00
Nova Scotia Steel & Coal 1st 5/59	59	63	9.20
Nova Scotia Steel & Coal 6 Deb.	30	40	...
Ogilvie Flour Mills 6/32	100	102	4.60
Ogilvie Realty 6½/52	100	103	6.10
Ontario Power Service 5½/50	90	93	6.00
Power Corp. of Canada 4½/59	84	89	5.45
Price Bros. 1st S. F. Series "A" 6/43	99	101	5.90
Quebec Power 1st Mtge. Coll. S. F. 5/68	100.50	102	4.85
Rio de Janeiro Trams 5/35	97	100	5.00
Shawinigan Water & Power 4½/70	94	96	4.70
Shawinigan Water & Power 5/70	102	104	4.75
Simpsons 6/49	98	101	5.90
Southern Canada Power 1st 5/55	100.75	102.50	4.80
United Securities Coll. Trust 5½/52	98	100	5.50
Windsor Hotel 6½/43	101	103.50	6.10
Windsor Hotel 6/47	95	98	6.20
Winnipeg Electric 5/35	98	101	4.75
Winnipeg Electric 6/54	93	98	6.15

Active Provincial and Municipal Bonds

(Furnished by H. R. Bain & Co., Ltd.)
350 Bay Street, Toronto, Ont.

Provinces	Rate	Actual Mat.	Next Int. Date	Ask	Yield
Alberta	4½	1 Oct. 1958	1 Apr.	96.90	4.70
Alberta	5	1 Jul. 1948	1 July	101.39	4.86
Alberta	6	1 Apr. 1936	1 Apr.	105.25	4.90
British Col.	4½	1 Oct. 1953	1 Apr.	97.92	4.65
British Col.	5	15 Jan. 1948	15 July	102.89	4.75
British Col.	6	15 Aug. 1941	15 Feb.	109.81	4.80
Manitoba	4	1 Jul. 1947	1 July	93.12	4.60
Manitoba	5	2 Jun. 1959	2 June	103.88	4.75
Manitoba	5	15 Jun. 1943	15 June	102.34	4.75
N. B.	4½	1 Jun. 1948	1 June	98.81	4.60
N. B.	4¾	15 Jun. 1936	15 June	100.48	4.65
N. B.	6	1 Jan. 1936	1 July	106.46	4.75
Nova Scotia	4½	15 Nov. 1948	15 May	98.78	4.60
Nova Scotia	5	1 May 1943	1 May	103.29	4.65
Nova Scotia	6	1 Nov. 1936	1 May	106.73	4.70
Ontario	4½	1 Sep. 1944	1 March	100.00	4.50
Ontario	5	15 Oct. 1948	15 Apr.	104.36	4.60
Ontario	6	2 May 1936	2 May	106.49	4.65
P. E. I.	4	1 Apr. 1939	1 Apr.	95.82	4.60
P. E. I.	4½	1 Oct. 1944	1 Apr.	98.47	4.65
Quebec	4½	1 Jun. 1946	1 June	100.00	4.50
Quebec	5	1 Mar. 1964	1 Mar.	107.70	4.55
Saskatchewan	4½	1 Oct. 1944	1 Apr.	97.46	4.75
Saskatchewan	5	1 Oct. 1950	1 Apr.	102.55	4.80
Saskatchewan	6	1 Feb. 1936	1 Feb.	105.93	4.85
Cities					
Montreal	5	1 Sep. 1963	1 Mar.	105.88	4.65
Toronto	4½	1 Sep. 1954	1 Mar.	98.56	4.60
Vancouver	4	1 Aug. 1946	1 Feb.	92.88	4.65
Winnipeg	5	1 Mar. 1944	1 Mar.	100.29	4.80
Windsor	5	1 Dec. 1937	1 June	100.29	4.95
Edmonton	5½	1 May 1945	1 May	105.11	5.00
Calgary	5	1 Jan. 1948	1 July	100.00	5.00
Halifax	5	1 Jul. 1951	1 July	102.59	4.80
St. John	5	15 Dec. 1950	15 June	102.55	4.80
Regina	4½	1 Jul. 1950	1 July	94.41	4.95
Victoria	5	21 Jul. 1945	21 July	102.07	4.80

Foreign Exchange

	New York Funds High (Premium)	New York Funds Low	Last Year High (Premium)	Last Year Low
February 4	1-16	1-32	1%	61-64
February 5	3-64	1-64	1%	15-16
February 6	1-32	1-64	63-64	59-64
February 7	x1-32	x3-64	15-16	13-16
February 9	1-32	Par	27-32	25-32
February 10	1-64	Par	25-32	45-64

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
February 4	4.85 3-4	3.92	5.23 7-16
February 5	4.85 25-32	3.82 1-16	5.23 3-8
February 6	4.86	3.92 1-16	5.23 7-16
February 7	4.86 1-8	3.92 1-16	5.23 9-16
February 9	4.86 1-16	3.92 1-4	5.23 11-16
February 10	4.85 15-16	3.92	5.23 3-8

FOREIGN EXCHANGE

Par		Jan. 27	Feb. 3	Feb. 10
5.26	Italian	5.23¾	5.23¾	5.23¾
23.80	German	23.78½	23.78	23.77½
13.90	Belgian	13.95½	13.94½	13.94½
49.80	Japanese	49.50	49.45	49.45

Winnipeg Grain Prices

Week to February 10

High Crop Year	Low Crop Year		Open Feb. 4	High for week	Low for week	Close Feb. 10
		Wheat				
1.13⅞	.52½	May	.61	.66⅛	.59⅞	.65⅝
.77¼	.54	July	.62	.68½	.63⅜	.68¼
.70¾	.57⅞	October	.64¾	.70¾	.63⅛	.70½
		Oats				
.52	.26⅝	May	.28	.30⅝	.27⅝	.29⅝
.33½	.26⅝	July	.28¼	.29¾	.27⅝	.29⅝
.31	.27¾	October	.28½	.31	.28¼	.30⅞
		Barley				
.49	.21⅞	May	.24⅝	.25⅝	.23½	.25⅝
.32½	.23¼	July	.25⅞	.27	.24⅞	.26⅞
.31	.25½	October	.28⅝	.29½	.27⅝	.29⅝
		Flax				
1.82½	.94¼	May	.98	.99	.96	.98½
1.11	.95½	July	.99¼	1.00¾	.97½	1.00⅝
1.03	.99½	October	1.00	1.03	.99½	1.03
		Rye				
.71	.25½	May	.29¼	.32½	.28½	.32¼
.75	.28⅝	July	.31½	.34⅛	.30⅛	.33⅞
.34¾	.31⅜	October	.33⅝	.34⅝	.32⅞	.36⅝

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BUSINESS UP, SURPLUS LESS, FOR SUN LIFE

Insurance Paid for Increases 8 Per Cent Over 1929

INVESTMENTS DOWN

Difficult Year on Security Markets Reflected in Company's Annual Statement

An 8 per cent increase in paid for assurance in 1930 is shown by the Sun Life in its annual report presented to shareholders this week. Paid for business amounted to $705,678,796 as compared with $654,451,000 in 1929, while business in force increased $462,000,000 to $2,863,000,000. Total assets are about $20,500,000 higher than a year ago, but net surplus has dropped approximately $28,500,000 due to the decline in the market value of the company's security holdings.

The insurance record of the company is the best in its history and although the spectacular gains of 1929, when the company made a 48 per cent gain in paid for business and a 26.5 per cent gain in business in force, are lacking, the fact that an actual increase in business was shown in face of a 5 per cent decline in business of most life companies on this continent, indicates an excellent record.

Surplus Income $60,743,000

Total income for 1930 is shown at $186,662,316 as compared with $172,857,771 in 1929, while the excess of net income over disbursements stands at $60,743,485 as against $66,849,620 a year ago. Premium income for new, renewal and group insurance was larger, declines being noted in single and thrift premiums.

Interest earned on the company's mean invested assets was 6.44 per cent as compared to 7.02 a year ago. The mortality record showed an improvement even over last year, being 57.6 per cent of expected mortality as against 59.4 per cent in 1929. Total payments to policyholders were approximately $81,000,000 of which $59,000,000 was paid to living policyholders. The company states the dividends to policyholders during 1930 will be maintained at the 1930 rate. This includes the special maturity dividend. Group insurance reached a new record in the company's history, $104,000,000 of this business having been secured in 1930.

The unique investment policy of the Sun Life whereby the major portion of the company's assets are invested in common stocks, naturally draws attention to the changes in its balance sheet that have taken place in the past year. For the first time the company finds the market value of its preferred stocks and bonds to be less than the cost or ledger value as at Dec. 31, although the market value of the company's common stock holdings at that date was $8,500,000 above cost. A year ago, even after entering many common stocks at less than their market value in order to provide for possible fluctuations, the company's common stock holdings showed an excess of $76,500,000 over cost or ledger value of which $30,000,000 was written off to provide against further fluctuations.

Improvement Noted Since

Due to the improvement in market conditions which has taken place since December 31, T. B. Macaulay at the company's annual meeting was able to report that $15,000,000 of the $28,500,000 decrease in surplus has been regained and unofficially it is understood that on the day of the annual meeting the entire decrease in net surplus had been regained.

Briefly the change in the company's investments as shown in the 1930 balance sheet may be summarized as follows:

Sun Life Security Holdings

	1930 $	1929 $
Bonds:		
Ledger value	89,471,905	93,538,916
Market value*	87,251,906	....
Carried at*	87,251,906	95,092,687
Stocks (Preferred & guaranteed):		
Ledger value	31,490,727	18,680,409
Market value*	27,975,558	....
Carried at*	27,975,558	19,041,344
Other Stocks:		
Ledger value	296,058,776	269,795,277
Market value*	304,559,321	....
Carried at*	304,559,321	346,345,040
Total	419,786,786	†430,479,021

†After deducting $30,000,000 to provide against possible market fluctuations.

*Market values officially quoted by the Dominion Government Insurance Dept. were used in 1930. In 1929, Government market values, or lower were quoted.

It will be noted that while in 1929 the company held securities, the cost or ledger value of which was $382,000,000, in 1930 it held securities representing an investment of $417,000,000. This represents apparent new purchases of $35,000,000. The market value of the securities held at the end of 1929 (before setting up the $30,000,000 special allowance for possible fluctuation in value) was $460,500,000. The market value of the larger amount of securities held at the end of 1930 was $420,000,000. This indicates an apparent deflation in market value of securities held of $75,000,000.

In addition to the substantial reduction in net surplus an item of $12,500,000 set aside to provide for unforeseen contingencies has apparently been utilized. On the other hand the company's building account is higher by $12,000,000; cash on hand has moved up $9,000,000. Among liabilities a new item, "Reserve for possible depreciation in mortgages and real estate," appears for the first time at $4,781,183.

Reserve Basis Changed

Policy reserves are shown this year at $473,372,000 as against $427,074,000 a year ago. A change in the basis of calculation is made in that a new definition is given to the reserves set up on life policies and annuities. In 1929 the reserves on annuities was set up according to Rutherford's Annuity Tables with 3½ per cent interest. The corresponding item for 1930 reads as follows: "According to the British Offices Select Annuity Tables with 3½ per cent interest for all policies issued prior to January 1, 1927; Rutherford's Annuity Tables with 4 per cent interest for policies issued thereafter."

In respect to the reserve on life policies, the item on the 1929 balance sheet read as follows: "According to Tables of Mortality on which the premiums are based with 3 per cent interest." The report for 1930 reads: "according to the British Offices Om(5) Table of Mortality with 3 per cent interest for all policies on which the guaranteed values are on a 3 per cent basis; for all other policies the same table with 3½ per cent interest."

Commenting on the company's position, T. B. Macaulay at the annual meeting stated that the company had received more revenue by way of dividends on securities held during 1930 than at any time in the company's history, and that at the present time the excess in market value of the company's common stocks was more than sufficient to cover all shrinkage in the market value of bonds and preferred stocks.

He also indicated that one of the lessons learned by the company in their recent experience is that despite the company's previous policy of buying stocks only for permanent investment, he now believes that there may be a time to sell as well as a time to buy, in an investment policy such as that followed by the Sun Life.

Winnipeg Stock Exchange

February 2

	Bid	Ask
Beaver Fire	..	120
Beaver Lumber c. ...	..	19
Do., pref.	90	..
Can. Amtr. Trust shs.	..	653
Can. Fire Ins.	80	..
Can. Indemnity	125	..
Crescent Creamery ..	91	93
Gt. West Life	460	..
	Bid	**Ask**
Home Investment ...	..	65
Monarch Life	25	..
North. Can. Mtg. ...	..	25
Northern Trust	..	40
Traders Bldg.	..	93
Un. Gr. Growers	14	..
West. Breweries	3	3½

W. J. Gage Co. Purchases John Gibb & Co., Winnipeg

W. J. Gage Co., Ltd., Toronto, wholesale and manufacturing stationers as well as prominent publishers of educational text-books, have bought out the stock and plant of John Gibb & Co., Ltd., of Winnipeg. The consolidated organization will be the largest manufacturer of stationery in Western Canada.

John Gibb and his associates some years ago bought the stationery manufacturing plant of Clark Bros., who had also a printers' supply business in Winnipeg. W. J. Gage Co. also has a plant in Winnipeg manufacturing envelopes. It is the intention to move the stationery manufacturing plant over to the W. J. Gage Co. plant and to consolidate the two lines of merchandise, which were largely parallel to one another.

When asked as to the policy of the company in the new plant, H. Love of W. J. Gage Co., Toronto, states that no employees will be sent West from Toronto, that every endeavor is being made to take over as many Gibb employees as possible. The company, he stated, has every sympathy with the present "Made-in-Manitoba" campaign and will work in with it in every way that it can.

The Financial Post understands that John Gibb will retain his connection with the consolidated organization.

Tip Top Covers Dividends Twice

Tip Top Tailors in its forthcoming annual report is expected to show preferred dividend requirements covered more than twice. In addition, there have been retirements of preferred stock so that the amount outstanding will be reduced.

The first five months of 1930 showed increased sales over 1929 but since that time total sales in dollars have been less. So far as 1931 prospects are concerned shareholders will be eager to hear in the annual report or at the annual meeting a discussion of the price situation as it touches clothing and the relation of declining prices to profits.

Mining Stock Quotations

Week Ending February 9

Par Val.	Range 1931 High	Range 1931 Low	Company	Close Feb. 2 (or last)	High for week	Low for week	Close Feb. 9
1	.23	.13½	Abana........	.14	.16	.13½	.15
1	.02	.01	Aconda........	.01½	.01½	.01½	.01½
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Par Val.	Range 1931 High	Range 1931 Low	Company	Close Feb. 2 (or last)	High for week	Low for week	Close Feb. 9
1	.05	.02½	Thom. Cad'c.	.02½	.05	.04	.05
1	.02½	.00½	Tough Oakes.	.01½	.01½	.01	.01½
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

WESTERN OIL STOCKS

Par Val.	Range 1931 High	Range 1931 Low	Company	Close Feb. 2 (or last)	High for week	Low for week	Close Feb. 9
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

VANCOUVER STOCK EXCHANGE
(Transactions for Week to February 4)

Par Val.	Range 1931 High	Range 1931 Low	Company	Close Feb. 2 (or last)	High for week	Low for week	Close Feb. 9
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

*Quotations for 1930. *No sales recorded in 1931 to date.

DIVIDEND PAYERS

Company	Rate	Yield	Company	Rate	Yield
Cons. Smelters	[illegible]	[illegible]	Nipissing	[illegible]	20.00
Dome Mines	[illegible]	[illegible]	Premier	[illegible]	16.66
Hollinger	[illegible]	[illegible]	Spooner	[illegible]	....
Inter. Nickel	[illegible]	[illegible]	Sylvanite	[illegible]	2.94
Lake Shore	[illegible]	[illegible]	Teck Hughes	[illegible]	8.45
McIntyre	[illegible]	[illegible]	United Oils	[illegible]	....
			Wright-Har.	[illegible]	....

ROYAL TRUST CO. OPERATIONS SHOW MARKED ADVANCE

Earnings, However, Declined in 1930 by Nearly $130,000

From Our Own Correspondent

MONTREAL.—Net profits of The Royal Trust Co. in 1930 fell below those of the preceding year, amounting to $550,451 as compared with $621,993, a decrease of $128,666. Assets under administration, however, excluding bond trusteeships, were higher by about $48,000,000 at $531,677,440.

Assets owned by the company at the end of last year were slightly lower totalling $11,356,487 as compared with $11,917,348. While office premises and mortgages showed a decrease, investments at $6,213,224 were higher by nearly $200,000. Loans have dropped from $1,406,632 to $869,091 and advances to estates at $1,480,824 are down from $1,575,096. Deposits with provincial governments are unchanged at $445,000 and cash stands at $1,496 as compared with $305,614.

Guaranteed Accounts Lower

Guaranteed accounts have declined from $14,841,648 to $11,923,241. Estates and trusts managed by the company are higher at $374,397,697 as compared with $333,184,921 and securities held for safe custody are higher by about $13,000,000 at $134,000,014.

Total direct liability of the company shows little change at $11,356,487, of which $4,962,819 is due to the bank. This item was carried at $5,710,928. Trust funds for investment total $11,541,830 as compared with $13,635,047 in the previous year.

Earnings Record

Year	Paid-up Capital	Profits	Earn. %	Div. Rate
1928	$2,000,000	$548,938	27.4	14+4
1929	2,000,000	679,117	33.9	12+4
1930	2,000,000	550,451	27.5	16+2

Alberta Coal Production

Production figures from the coal mines of Alberta, for the month of October show a total of 775,310 tons, as compared with 663,422 tons for the corresponding month of last year. The increase of 111,888 tons was shared

LONDON CANADIAN REPORT SURPLUS AFTER DIVIDENDS

Market Value of Securities Shows Further Decline During Year

From Our Own Correspondent

MONTREAL.—London Canadian Investment Corp. reports for the year ended December 31, 1930, sufficient revenue to cover its prior charges and preferred dividends, and a depreciation in investments of 25.19 per cent from book value.

Income from all sources last year totalled $623,865. Comparison with the preceding report is not feasible, as the period covered ran from May 8, 1928, to December 31, 1929, After deducting senior charges, including interest, the amount available for dividends was $297,132. Particulars of the profit and loss account follow:

	May 8, 1928, to Dec. 31, 1929	1930
Cash income:		
Bond interest	$244,800	$623,865
Call loans int.	183,681	
Dividends	473,851	
Exchange	1,157	
Total income	903,489	623,865
Deduct:		
Debenture int.	427,500	270,000
Int. on loans	......	11,902
Man. expense	34,022	17,350
Prov. and mun. tax...	9,852	6,223
Transfer fees	......	11,666
Exchange	......	355
Prov. foreign taxes ..	24,421	15,701
Misc. expenses	7,067	3,536
Net revenue	400,627	297,132
Pfd. dividends	300,000	200,000
Balance	100,627	97,132
Brought forward	......	100,627
Carried forward	100,627	197,759

As at the end of last year the company had total assets of $12,383,916. This compares with $12,210,730 on December 31, 1929. Changes noted among assets include a drop in secured call loans from $447,000 to $115,000. Cash in bank, accrued interest, etc., are relatively small and the changes unimportant.

Bonds and stocks are shown at cost—$12,198,927—in the balance sheet. After taking into consideration the amount at the credit of the investment reserve, namely, $831,189, the market value of the securities of the company at the close of the year showed a depreciation from book value of $3,120,201 of total assets, or 25.19 per cent.

At the end of the preceding year bonds and stocks were carried at $11,659,280. On the same basis, and figuring on a reserve of $1,062,669, the market value of the securities at that date were $575,637, or 5.43 per cent less.

Debenture Equity Less

On the basis of the returns reported by London Canadian Investment at December 31, 1929, the equity per $1,000 debenture was $1,754. The corresponding figure at the end of the past year was $1,485.

There are few changes among liabilities. A current item is $321,063, representing balances due on partly paid and undelivered securities. The investment reserve has been cut from $1,062,669 to $831,189, while the profit and loss balance surplus has increased from $100,627 to $197,700.

At the end of 1930, the company's investments were distributed as follows: bonds, 29.73 per cent; preferred stocks, 18.21 per cent; common stock, 51.13 per cent; cash and call loans .93 per cent. The trend is towards investing a larger proportion of the company's funds in bonds and preferred stocks. Geographically the distribution is as follows: Canada, 48.80 per cent; United States, 22.31 per cent; British Empire (excluding Canada) 8.15 per cent; foreign (excluding the United States) 20.74 per cent. Canadian holdings have increased 8.40 per cent, while American holdings have declined about the same amount.

Thomas R. Harrison has been added to the board of directors since the last general meeting.

WESTERN BREWERIES SHOWS LOWER PROFIT

Shares Earn 42 Cents as Against $1.49 in Previous Year

Decreased sale of beer in western Canada, particularly in Saskatchewan adversely affected earnings of Western Breweries Ltd. during the fiscal year ended October 31, 1930, and a net profit of $124,099 is reported as compared with $399,086 in the preceding year, after giving effect in both years to deductions for administration expense, bond interest, depreciation and reserve for doubtful accounts.

After deducting reserves for income tax and preferred dividends paid minority shareholders of subsidiary company, the 244,786 $10 par value shares of Western Breweries earned 42 cents each in 1930 as compared with $1.49 each in 1929.

Dividend Passed

Dividends amounting to 5 per cent were paid in the fiscal year ended October 31, 1930, as compared with 7 per cent in the previous year. The company passed its dividend due November 1, 1930, in order to conserve funds for reduction of bank loans and to meet redemption of $50,000 serial bonds maturing on January 1, 1931.

CONSOLIDATED INCOME & SURPLUS ACCOUNT
Years Ended October 31

	1930	1929
Net profit‡	$124,099	$399,086
Less: Income tax res. ..	17,578	41,509
Pfd. divds. to minority shareholders of sub..	2,920	198,731
Dividends paid	122,393	
Surplus for year	*18,792	281,066
Add: Prev. surplus	219,956	61,110
Surplus carried forward .	$201,163	$219,956

*Deficit.

‡After deducting administration expenses, provision for bond interest, depreciation and doubtful accounts.

The ratio of current assets to current liabilities in 1929 was 1.26 to 1 as compared with 1.37 in 1930. Current liabilities are shown at $555,323, of which $324,138 is in bank loans and overdrafts and $231,185 is owing sundry creditors. There was $500,000 of 7 per cent serial bonds outstanding and accrued interest of $11,667; reserves amounted to $34,583 and capital stock was carried at $2,447,860. Minority shareholders' interest in subsidiary companies amounted to $36,604 and surplus carried forward was $201,163.

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DOM. PALACE MAY BE FINISHED BY END OF JUNE

(Continued from page 11)

company $150,000 for working capital. In other words, Provincial Improvement Corp., the fiscal agency for the company, could sell stock for $1,999,995, spend $1,150,000 on the pier and keep $849,995 for its trouble in selling the stock.

Pays Promoters Well

This contract was made early in July, 1927, and by July, 1929, there had been sold 30,000 shares. The cost of selling was then stated to be about 22.5 per cent. The cost of the site on the west side of the Humber river was given in December, 1928, as $160,000. The stock has been slow in selling. It had been expected that the pier would have been fully constructed and a year in operation by this time.

In addition to the notable balance of cash Provincial Improvement Corp., will have if it sells all the shares, it has the right under the contract to 5 per cent of the gross profits made by Dominion Palace Pier Corp. up to a total of $500,000, and a 10 per cent percentage on sales of $1,000,000 gross and over.

Dominion Palace Pier Corp. is an Ontario company and Provincial Improvement Corp. is incorporated under Dominion laws.

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1. In the *earnings* of these underlying stocks which have earned and paid dividends for an average unbroken period of over *29 years*. The group is also notable for its extraordinary disbursements in extra dividends, stock dividends, rights and split-ups, etc.

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Montreal Heat and Power Co.
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Atchison Topeka and Santa Fe Railway Co.
New York Central Railway Company
Southern Pacific Railway Company
Union Pacific Railway Company
Pennsylvania Railroad Company

Oils
Royal Dutch Company
Standard Oil Co. of California
Standard Oil Co. of New Jersey
Standard Oil Co. of Indiana
Texas Corporation

Industrials
American Radiator and Standard Sanitary Corp.
American Tobacco Co. Class "B"
du Pont de Nemours and Company
Eastman Kodak Co. of New Jersey
International Harvester Co.
Otis Elevator Co.
Union Carbide and Carbon Corp.
United States Steel Corporation
Westinghouse Electric and Manufacturing Co.
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What Editors Say of Banks

Royal Bank Criticized

Vancouver Sunday Sun.—Vancouver decorators and painters complain at the treatment they are receiving from the Eastern architects who are in charge of construction of the Royal Bank's new building in Vancouver.

Local decorators claim that Vancouver firms are being given all the rough unprofitable donkey work, but when it comes to high-class decorating such as was carried out by Vancouver men on Vancouver's Marine Building, these contracts have been given to Montreal and New York firms.

Is this fair to Vancouver and Vancouver craftsmen?

The decorating in the Marine Building was done by Vancouver men and has been admired and commented upon by architects from all over the continent.

The Royal Bank Building is being built in Vancouver for Vancouver business; it will be paid for and supported by Vancouver business, and it will be used by Vancouver people.

In the decorating business, if an "i" is not dotted or a "t" is not crossed by a Vancouver decorator the way it would be by a New York decorator, Vancouver people will probably be content with that omission rather than have the work done by an outside decorator; especially in times like these, every possible dollar of construction monies for Vancouver buildings should go to Vancouver firms and to Vancouver people.

The Royal Bank should go out of its way to play the game with and for Vancouver.

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Current Events in the Banking World

RATIO TABLES SHOW STATUS OF NINE BANKS

Detailed Analysis Reveals Condition and Earnings in 1930

BIG CHANGES NOTED

Relative Position of Leading Banks Reacts to Changed Conditions in Year

Some interesting commentaries on the relative position of the leading Canadian banks is contained in an analysis of bank returns as compiled annually for The Financial Post by C. W. Scott, Toronto. The tables compiled by Mr. Scott do not include Barclays Bank for which comparative figures are not available, but the ratios given for the other nine banks, enable students of Canadian banking statistics to obtain an excellent comparative picture of the present condition of each bank's earnings and position, as compared with a year ago.

The only important change in capitalization during the year is the Bank of Nova Scotia whose capital increased by $2,000,000 to $12,000,000. Four other banks, namely, the Montreal, the Commerce, the Banque Nationale and the Dominion, show slight increases, all attributable to capital stock increase which were announced in the previous year and which were finally completed in 1930. The following table shows the paid-up capital stock of the nine Canadian chartered banks with head offices in this country.

Paid-Up Capital Stock

	1930	1929
1. Montreal	$36,000,000	$35,948,541
2. Royal	35,000,000	35,000,000
3. Commerce	30,000,000	29,798,010
4. Nova Scotia	12,000,000	10,000,000
5. Imperial	7,000,000	7,000,000
6. National	7,000,000	6,997,900
7. Dominion	7,000,000	6,996,030
8. Toronto	6,000,000	6,000,000
9. Provincial	4,0000,000	4,000,000

This year, for the first time since the compilation has been made for The Financial Post, the Bank of Toronto has nosed out the Bank of Nova Scotia and shows the highest rate of profit on capital, of any of the nine banks. The Imperial Bank maintains its hold on third place which it won from the Dominion a year ago, while the other banks show no change from the respective positions held in the last three years. It is noteworthy that the Bank of Commerce is the only bank to show an increase in the ratio of profits to capital during the year. The ratios are as follows:

Rate of Profit on Capital

	1930	1929
1. Bank of Toronto	22.38%	24.22%
2. Nova Scotia	21.13	27.61
3. Imperial	20.34	22.30
4. Dominion	20.14	21.76
5. Royal	18.78	20.41
6. Montreal	18.11	19.66
7. Commerce	17.92	17.00
8. Can. Nationale	14.64	15.04
9. Provincial	12.78	13.77

However, when reserve and profit and loss accounts are taken into consideration as well as capital, the ranking changes considerably, and also shows considerable change from a year ago. The Imperial and the Royal still retain first and second place respectively but the Dominion Bank drops back from third to seventh place, while the Commerce moves forward into third from eighth place, which it occupied a year ago. The Bank of Toronto also moves forward from sixth to fourth place.

It is interesting that only two banks, namely the Imperial, and the Bank of Commerce, show an increased ratio in 1930, while one bank (the Banque Nationale) showed no change. All others show a smaller ratio.

The figures are:

Profit on Capital, Reserve and Profit & Loss

	1930	1929
1. Imperial	9.05%	8.93%
2. Royal	8.93	9.87
3. Commerce	8.89	8.45
4. Toronto	8.83	9.14
5. Montreal	8.72	9.47
6. Provincial	8.60	9.39
7. Dominion	8.58	9.83
8. Nationale	7.25	7.25
9. Nova Scotia	6.76	8.93

In view of the fact that some banks employ a much larger share of outside capital than others, the following set of ratios is important in that it offsets any injustice that may be made in the above table, and shows the number of dollars of outside capital that each bank employs in relation to each dollar of capital, reserve and profit and loss

It will be immediately noticed that the amount of outside capital employed in 1930, was in practically every case substantially lower in 1930 than a year ago.

Outside Liabilities Employed to $ of Capital Reserve and Profit & Loss

	1930	1929
1. Royal	$10.54	$12.05
2. Commerce	9.94	11.76
3. Montreal	9.92	11.73
4. Nationale	9.38	9.62
5. Imperial	8.37	8.76
6. Provincial	7.81	8.42
7. Toronto	7.54	7.72
8. Dominion	7.42	8.09
9. Nova Scotia	5.89	7.49

The ratio of net earnings to loans and investments shows a substantial increase for all banks, not only above 1929 but also above 1928, the only previous year for which this ratio was compiled. It must be noted, however, that this ratio is not strictly comparable due to the fact that three banks, namely, the Montreal, the Royal and the Commerce, carry their real estate through separate corporations which reduces the ratio for these three banks. A further somewhat important point is that only a few of the nine banks have comparable methods of treating bank premises accounts which further complicates the matter of working out a comparable ratio.

The figures, with these reservations, are as follows:

Net Earned on Loans and Investments

	1930	1929
1. Toronto	1.38	1.07
2. Dominion	1.32	1.06
3. Nova Scotia	1.25	1.06
4. Imperial	1.25	1.11
5. Provincial	1.23	1.05
6. Montreal*	.98	.76
7. Royal*	.98	.77
8. Commerce	.88	.67
9. Nationale	.86	.72

* Bank premises not included in investments.

The ratio of demand and savings deposits to each dollar of capital presents further interesting comparisons, and finds the Royal bank again leading in both groups.

It is interesting to note that deposits have apparently not kept pace with recent increases in bank capital, for in the past four years there has been a steady decline in the ratio of both demand and savings deposits to capital, and also a steady narrowing of the spread in ratios between the companies with the highest and lowest ratios.

Demand Deposits to $ of Capital

	1930	1929
1. Royal	$4.33	$5.16
2. Montreal	4.11	4.95
3. Commerce	4.09	4.76
4. Imperial	2.99	3.84
5. Dominion	2.97	3.61
6. Toronto	2.82	3.03
7. Nova Scotia	2.77	3.77
8. Nationale	2.62	2.70
9. Provincial	1.47	1.75

Deposits with Interest to $ of Capital

	1930	1929
1. Royal	$15.54	$16.89
2. Montreal	15.02	16.52
3. Nationale	14.48	14.55
4. Toronto	13.96	14.47
5. Nova Scotia	13.89	16.80
6. Imperial	13.38	13.72
7. Commerce	13.27	14.13
8 Dominion	12.37	12.58
9. Provincial	8.94	8.77

The liquid position of the banks is shown in the following table giving the ratio of quick assets to liabilities. The leadership of the Provincial Bank, which has been maintained over a considerable number of years, has been considerably disturbed, a ratio which was 67 per cent a year ago, and 69 per cent in 1928, having dropped this year to 58 per cent.

Nova Scotia comes first after having held second place for several years.

Quick Assets to Liabilities

	1930	1929
1. Nova Scotia	60.00%	58.07%
2. Montreal	59.07	56.67
3. Provincial	58.00	67.10
4. Imperial	55.82	48.10
5. Nationale	54.83	56.28
6. Dominion	53.50	50.94
7. Commerce	55.10	52.60
8. Toronto	52.67	46.65
9. Royal	48.64	46.70

The relative book value of various bank shares shows no change during the past three years, the Nova Scotia retaining its lead over all other banks by a substantial margin, with the Bank of Toronto and the Dominion Bank ranking second and third respectively. The 1930 figures indicate a book value approximately equal to 1927 level, and lower than the level in either of the two intervening years.

The figures are as follows:

Book Value of Shares

	1930	1929
1. Nova Scotia	$304.45	$314.65
2. Toronto	255.03	252.71
3. Dominion	234.91	231.57
4. Imperial	224.86	224.55
5. Royal	211.73	210.21
6. Montreal	208.18	207.60
7. Nationale	202.54	201.85
8. Commerce	201.72	201.58
9. Provincial	149.07	148.52

Finally there are the respective yields on these nine stocks, the figures given below indicating that the yield on Canadian bank stocks at the present time is at a higher figure (as calculated on a February basis) than since February, 1926, when many of the bank shares were yielding over six per cent.

The Banque Nationale retains its leadership on the basis of yield, the only changes being a shift between Imperial and Dominion for second place and between Commerce and Toronto for fourth place.

Investment Yields on Bank Shares

	Rate %	Price	Yield 1930*	1929*
Bk. Can. Nationale	10	170½	5.86	5.83
Dominion Bk.	12+1	223	5.82	5.41
Imperial Bank	12+1	223	5.82	5.41
Commerce	12+1	228	5.70	4.90
Bk. of Toronto	12+1	230	5.65	5.00
Bk. of Nova Scotia	16	317½	5.03	4.87
Royal Bank	12+2	279	5.01	4.51
Bk. of Montreal	12+2	290	4.82	4.50

*As at Feb. 10, approx.

Bank Debits Had Drop of 19.7 p.c. From 1929 Total

Canadian bank debits in 1930 totalled $37,491,000,000, a decline of 19.7 per cent from the 1929 total and 13.8 per cent below the 1928 figure, and an increase of 3.9 per cent over 1927. Of the five economic areas, the Maritime Provinces showed the best relative position with a decrease of only 11.2 per cent as against the largest decrease of 20.8 per cent registered in the Prairie Provinces. British Columbia showed a drop of 20.5 per cent; Quebec, 20.3 per cent and Ontario, 18.9 per cent.

Bank debits gained 6 per cent during December after seasonal adjustment on the return for the previous month. The total was $3,012,000,000 as compared with $2,974,000 in November. The chief gains were registered in Ontario, and British Columbia, the Maritimes showed a gain smaller than is usual, while Quebec and the Prairie Provinces had declines of over 6 per cent. Chief gain was made in Toronto with an increase of 10.6 per cent.

The December debits in 1930 fell 10.8 per cent below the total for December, 1929. The Maritimes show a decrease of only 5.5 per cent on one hand and the Prairie Provinces show a loss of 27.8 per cent on the other. Quebec debits dropped 26.4 per cent, Ontario 13.2 per cent and British Columbia 21.6 per cent. The principal clearing points contributed largely to the provincial declines. Montreal debits dropped 28 per cent; Toronto, 18.5 per cent; Winnipeg, 31.2 per cent and Vancouver, 17.7 per cent.

CITY AND DISTRICT BANK MAINTAINS EARNINGS IN 1930

Shareholders Receive Bonus of $40,000 on Stock

From Our Own Correspondent

MONTREAL.—Montreal City and District Savings Bank's report for 1930 shows earnings maintained at about the same level as in the preceding year. Net profits amounted to $363,022, as against $369,536 in the preceding year.

In addition to paying the regular quarterly dividend during 1930, the bank declared a bonus to its stockholders, amounting in all to $40,000. Charity donations were also increased from $3,550 to $6,300. Full particulars of the profit and loss account follow:

	1930	1929
Profits	$363,022	$369,536
Dividends and bonus	280,000	240,000
Balance	83,022	129,536
Donations	6,300	3,550
Surplus	76,722	125,986
Prev. surplus	169,736	43,750
Balance	$246,458	$169,736

Assets Slightly Lower

Total assets of the bank as at the end of December last, amounted to $61,543,430 as against $61,771,284 on the same date a year previous. It is noted that cash on hand showed an increase from $6,897,818 to $7,215,618. Call and short loans have declined about $1,700,000 to $7,743,811. Municipal bond holdings have increased slightly to $22,077,880, while Dominion and Provincial Government bonds remain about the same at $20,868,015. Bonds of public Utility Corporations show an increase from $1,672,450 to $1,963,577, while foreign government bonds remain the same at $10,000. Sundry securities also remain unchanged at $200,000. Bank premises are carried on the books at $1,170,000, showing no change from the previous year.

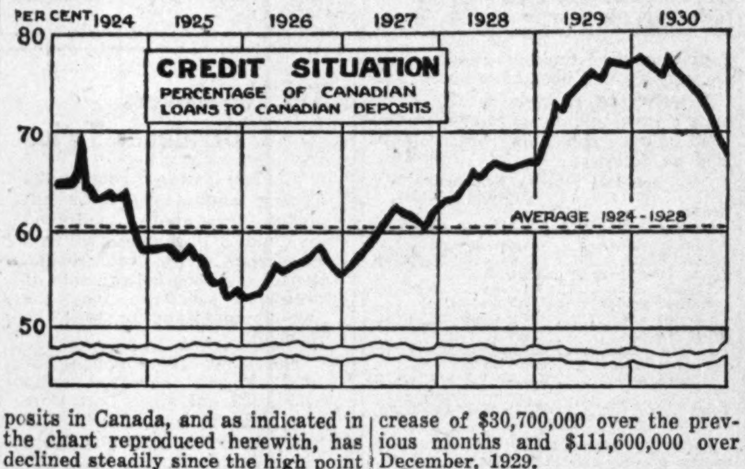
Among liabilities to the public, the bank reports savings deposits of $55,269,136, or about $130,000 more than at the end of 1929. Current deposits show a minor increase to $144,019. Other liabilities are carried at $1,503,814, down from $1,948,978.

The only change in liabilities to shareholders is the increase in the surplus account from $169,736 to $246,459.

Plenty of Available Funds Shown by Bank Statement

Savings Deposits Maintained Within .05 Per Cent of December 1929 Figure—Loans Decline Steadily

A further substantial improvement in credit conditions in Canada despite a slight falling off in savings deposits is noticeable in the December statement of Canadian chartered banks issued from Ottawa this week. The Financial Post index of credit conditions declined to 67.6 from the previous months' figure of 69.7. This index is the ratio of call and current loans in Canada as compared to the total of demand and savings deposits in Canada, and as indicated in the chart reproduced herewith, has declined steadily since the high point of 78 per cent reached in June, 1930.



The lower dollar volume of business transacted in Canada, is reflected in the steady decline of current loans which have dropped each month without exception since October, 1929, when the high point of $1,473,000,000 was reached. The present level of $1,184,000,000 is about on a par with the volume of current loans in the early fall of 1928.

A declining foreign trade is indicated by the item "due from foreign and U. K. banks," which dropped $47,500,000 in December to $89,800,000. On the other hand, the banks, in order to find a profitable outlet for their surplus funds have increased very largely their holdings of government securities, that item now standing at $408,000,000, an increase of $30,700,000 over the previous months and $111,600,000 over December, 1929.

The way in which savings deposits have held up during 1930 is considered highly satisfactory by banking officials. Although there is a decline of $12,766,000 in December as compared with the previous month, this is considerably less than the usual seasonal decline at Christmas, and brings deposits for the entire year to within .05 per cent of the December, 1929, figure.

ASSETS

	Dec. 1930	Nov. 1930	Change	Dec. 1929	Change
	$	$	$	$	$
Immediately Available Liquid Resources					
Specie	84,038,609	98,372,427	— 14,333,818	73,293,753	+ 10,744,856
Dom. notes	126,883,728	155,673,832	— 28,785,104	130,869,253	— 3,980,525
Gold reserve	32,580,866	36,580,866	4,000,000	56,080,866	— 23,500,000
For. & U.K. banks	89,804,682	137,390,688	— 47,586,056	101,651,905	— 11,847,273
For. curr.	22,211,153	22,990,429	— 779,276	23,698,184	— 1,487,031
Gov't secs.	408,589,260	377,877,098	+ 30,712,162	296,983,350	+111,605,910
Call loans ab'd	145,904,776	193,491,067	— 47,586,291	245,172,108	— 99,267,332
	910,018,024	1,022,376,407	—112,358,383	927,749,419	— 17,731,395
Loans and Securities Other Than Those of Canadian Government					
Public secs.	128,070,741	120,320,973	+ 7,749,768	94,049,641	+ 34,021,100
Rly. secs.	67,448,882	53,277,315	+ 14,171,567	57,376,745	+ 10,072,137
Can. call loans	204,781,345	211,805,598	— 7,024,253	262,289,071	— 57,507,726
Current loans	1,149,175,118	1,183,723,359	— 34,548,241	1,402,787,330	—253,612,212
Loans ab'd	213,965,402	210,396,048	+ 3,569,354	250,638,265	— 36,672,863
Prov. & mun. loans	125,863,155	123,274,311	+ 2,588,844	121,680,788	+ 4,182,367
	1,889,304,643	1,902,797,604	— 13,492,961	2,188,821,840	—299,517,197
Other Assets					
Non-curr. loans	7,428,476	7,384,718	+ 43,758	7,251,629	+ 176,847
Real estate	5,831,913	5,564,113	+ 267,800	5,316,069	+ 515,844
Mortgages	7,035,637	7,075,832	— 40,195	7,291,260	— 255,623
Premises	78,559,505	78,620,365	— 60,860	75,168,231	+ 3,391,274
Lets. of cred.	78,359,018	84,161,951	— 5,802,933	112,591,425	— 34,232,407
Loans to comp.	11,968,601	11,753,604	+ 214,997	9,757,289	+ 2,211,312
Other assets	1,584,143	1,728,921	— 144,778	2,294,885	— 710,742
	190,767,293	196,289,504	— 5,522,211	219,670,788	— 28,903,495
Total	2,990,089,960	3,121,463,515	—131,373,555	3,336,242,047	—346,152,087
Note cir. dep.	6,799,788	6,790,678	+ 9,110	6,374,340	+ 425,448
Int. bank bal.	146,866,265	126,413,553	+ 20,452,712	178,473,084	— 31,606,819
Gross	3,143,756,013	3,254,667,746	—110,911,733	3,521,089,471	—377,333,458
LIABILITIES					
To the Public					
Circulation	148,017,056	159,233,300	— 11,216,244	175,496,699	— 27,479,643
Dom. Gov't	26,901,871	65,052,136	— 38,150,265	59,952,221	— 33,050,350
Prov. Gov't	20,631,434	21,364,721	— 733,287	31,652,685	— 11,021,251
Gov't advances	20,500,000	38,700,000	— 18,200,000	81,700,000	— 61,200,000
Deposits by Public					
Demand dep.	641,694,317	604,828,099	+ 36,866,218	729,314,708	— 87,620,391
Savings dep.	1,425,845,166	1,438,611,843	— 12,766,677	1,434,405,212	— 8,560,046
Total	2,067,539,483	2,043,439,942	+ 24,099,541	2,163,719,920	— 96,180,437
Foreign dep.	372,275,709	409,408,863	— 37,133,154	441,622,135	— 69,346,426
Due to Banks Abroad, Etc.					
United Kingdom	5,757,024	7,505,987	— 1,748,963	26,729,177	— 20,972,153
Foreign	59,289,286	71,822,483	— 12,533,197	81,253,951	— 21,964,665
Bills payable	5,293,321	12,012,896	— 6,719,575	8,193,848	— 2,900,527
Lets. of cred.	78,359,018	84,161,951	— 5,802,933	112,591,425	— 34,232,407
Other liab.	3,831,805	3,994,818	— 163,013	4,633,828	— 802,023
Public liab.	2,808,396,007	2,916,697,097	—108,301,090	3,187,545,889	—379,149,882
Due bet. banks	12,807,469	13,483,660	— 676,191	14,864,912	— 2,057,443
Liability to Shareholders					
Dividends	872,672	5,306,290	— 4,433,618	846,388	+ 26,284
Reserve	162,225,000	161,177,418	+ 1,047,582	158,127,600	+ 4,097,400
Capital	145,024,560	144,976,172	+ 48,388	142,901,350	+ 2,123,210
Gross	3,129,325,708	3,241,640,637	—112,314,929	3,504,286,139	—374,960,431
Credit Index*	67.6%	69.7%	— 2.1%	77.0%	— 9.4%

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

Bank Chat

The BANK OF NOVA SCOTIA announces the appointments as accountants of J. S. CLINCH at Winnipeg branch, W. D. McARTHUR at Calgary branch and E. L. ALLAN at Regina branch.

The DOMINION BANK has made the following appointments: F. LUND, formerly accountant at Vancouver branch, has been appointed acting manager at Robson and Hornby Sts. branch, Vancouver. He is succeeded at Vancouver branch by J. R. GULLOCK.

EDWARD D. KELLMAN has been appointed acting manager at Broadway & Blenheim St. branch, Vancouver.

Major H R. TYNER, assistant manager of the Sparks St., Ottawa branch of the Royal Bank has been appointed manager at Niagara Falls, Ont. branch.

N. S. Butter Produtcion Gains

In the year 1930 there were produced in Nova Scotia creameries 4,724,118 pounds of butter or an increase of 11 per cent over the previous year.

Weekly Bank Clearings

	Feb. 6, 1930	Feb. 5, 1931
Halifax	$ 4,593,010	$ 2,810,640
Saint John	2,521,189	2,411,845
Moncton	920,792	785,350
Sherbrooke	1,050,145	789,277
Quebec	6,887,405	6,767,298
Ottawa	8,429,513	7,074,308
Montreal	144,105,301	130,547,646
Kingston	1,140,673	651,483
Peterboro'	812,129	603,086
Toronto	151,322,963	135,418,353
Hamilton	6,197,195	5,459,455
Kitchener	1,160,759	1,124,521
Brantford	1,161,201	884,323
London	3,550,407	3,605,652
Chatham	....	738,308
Windsor	4,925,994	3,140,799
Sudbury	1,018,439	683,719
Fort William	$ 962,133	$ 725,200
Winnipeg	53,259,296	37,359,279
Brandon	607,365	485,174
Moose Jaw	1,289,282	853,153
Prince Albert	466,911	393,651
Edmonton	5,925,945	5,919,157
Calgary	11,106,138	7,776,319
Medicine Hat	337,611	243,061
Lethbridge	669,439	307,270
Vancouver	21,998,436	16,297,779
Victoria	2,775,723	2,966,967
New Westminster	930,593	755,467
Regina	4,614,456	3,346,761

They Had No Banks

In pioneer days trade was chiefly by barter—the early settlers had no banks; the trading post gave them credit or kept their money for them.

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Hamilton Ontario

Return of the Chartered Banks of the Dominion of Canada, December 31, 1930

LIABILITIES

NAME OF BANK	Notes in Circulation	Balance Due to Dominion Government	Advances under Finance Act	Balances Due to Provincial Governments	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere	Bal. due to other banks in Canada	Due to Banks in U.K.	Due to Banks Elsewhere	Bills Payable	Letters of Credit outstanding
	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	37,095,680	11,717,514	5,000,000	6,085,082	164,128,190	388,262,607	94,554,839	2,614,963	955,153	5,744,707	156,907	8,002,254
Nova Scotia	13,967,346	2,900,501	....	686,672	34,416,523	129,470,210	32,568,349	3,348,622	90,627	2,381,046	504,354	5,455,771
Toronto	6,882,334	173,192	....	301,169	28,439,101	65,294,375	....	1,825,052	317,171	1,928,461	247,947	1,438,339
Provinciale	4,107,520	132,580	....	71,466	5,863,044	34,818,639	....	507	....	146,332	....	28,456
Commerce	26,454,802	2,196,179	....	4,239,217	139,522,155	290,191,715	49,977,248	1,325,508	753,936	19,302,997	1,175,992	23,183,950
Royal	33,414,649	6,548,926	10,000,000	5,357,850	178,330,428	282,849,868	191,468,886	1,264,943	2,360,108	22,925,868	3,185,975	35,393,058
Dominion	6,577,213	1,491,882	2,000,000	559,855	35,519,650	67,389,729	2,471,289	1,207,775	341,776	3,508,504	22,146	3,415,169
Nationale	10,900,734	579,519	1,500,000	1,065,227	25,120,587	88,209,041	1,235,098	669	58,373	429,378	....	554,721
Imperial	8,099,348	950,094	2,000,000	2,249,181	28,882,357	70,080,314	....	1,211,536	143,214	2,209,454	....	769,646
Weyburn Security	315,155	181,141	....	15,715	807,088	1,545,688	....	....	....	34,923	....	....
Barclays (Canada)	202,275	30,343	....	....	665,194	732,980	....	4,894	736,666	677,616	....	117,654
Total	148,017,056	26,901,871	20,500,000	20,631,434	641,694,317	1,425,845,166	372,275,709	12,807,469	5,757,024	59,289,286	5,293,321	78,359,018

NAME OF BANK	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities	Capital Authorized	Capital Subscribed	% last dividend	Loans to Directors	Average gold and Coin Held	Average Dominion Notes Held	Greatest amount of notes in Circ.
	$	$	$	$	$	$	$	%	$	$	$	$
Montreal	2,564,708	27,758	38,000,000	36,000,000	800,910,368	50,000,000	36,000,000	12	3,739,321	31,937,533	41,577,011	40,924,789
Nova Scotia	310,556	480,247	24,000,000	12,000,000	262,580,830	15,000,000	12,000,000	16	2,534,028	9,376,687	9,612,098	15,451,767
Toronto	130,089	3,487	9,000,000	6,000,000	121,980,719	10,000,000	6,000,000	12	1,348,442	407,700	8,958,800	7,726,660
Provinciale	50,266	6,848	1,500,000	4,000,000	50,725,662	5,000,000	4,000,000	9	....	234,616	376,156	4,519,615
Commerce	....	20,909	30,000,000	30,000,000	618,344,613	50,000,000	30,000,000	12	7,656,405	10,113,000	26,507,000	29,664,766
Royal	248,333	45,147	35,000,000	35,000,000	850,394,045	50,000,000	35,000,000	12	4,146,287	14,331,027	17,002,496	37,177,704
Dominion	494,065	280,572	9,000,000	7,000,000	141,279,629	10,000,000	7,000,000	12	1,381,117	1,033,000	5,924,000	7,232,248
Nationale	....	5,346	7,000,000	7,000,000	143,658,699	10,000,000	7,000,000	10	924,566	992,246	3,213,346	11,331,629
Imperial	....	700	8,000,000	7,000,000	131,593,848	10,000,000	7,000,000	12	238,972	964,241	1,742,890	9,088,903
Weyburn Security	16,536	1,658	225,000	524,560	3,667,467	1,000,000	655,700	5	38,138	23,950	37,475	375,775
Barclays (Canada)	17,204	....	500,000	500,000	4,184,828	500,000	500,000	......	10,000	11,468	107,494	231,050
Total	3,831,757	872,672	162,225,000	145,024,560	3,129,325,708	211,500,000	145,155,700	......	22,017,276	69,425,468	115,058,766	163,706,906

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin	Dominion Notes	Notes of other banks	United States and other foreign currencies	Cheques on other banks	Balances due from other banks in Canada	Due from banks in U.K.	Due from banks elsewhere	Government securities	Canadian municipal British and foreign securities	Railway and other bonds and Stocks	Call loans in Canada	Call loans elsewhere
	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	36,302,936	42,194,477	3,876,931	911,512	34,492,349	2,294	5,993,019	20,359,298	151,144,738	52,498,668	13,099,074	15,773,489	41,415,247
Nova Scotia	9,503,865	14,690,183	1,094,638	1,401,982	11,085,355	....	198,848	4,659,435	25,636,966	10,986,542	12,129,111	30,813,116	7,298,059
Toronto	436,004	8,098,559	631,575	95,860	7,210,315	....	152,740	2,606,297	20,132,384	2,825,726	1,652,615	8,483,702	....
Provinciale	245,904	395,665	571,740	79,493	2,120,597	1,493,951	20,583	212,118	6,541,453	3,833,988	3,387,124	6,477,435	....
Commerce†	10,182,264	23,241,188	2,431,770	1,218,508	22,929,299	1,530	643,949	14,056,359	67,040,793	17,982,545	13,757,656	15,204,875	58,355,455
Royal‡	24,244,324	22,343,947	3,881,082	18,101,752	26,991,650	4,197	1,449,192	32,644,964	82,259,050	23,351,677	15,178,545	92,030,710	35,318,046
Dominion	1,044,516	10,111,310	754,410	136,994	9,144,746	....	376,571	2,895,520	15,461,330	3,670,107	2,542,086	14,240,782	3,517,969
Nationale††	1,052,026	1,679,115	977,075	127,327	4,900,949	318,353	48,826	915,245	22,300,255	7,151,643	3,564,968	10,609,577	....
Imperial	989,357	4,070,644	763,470	132,263	7,928,212	619,613	124,764	1,913,834	17,571,635	5,622,192	2,098,832	10,904,409	....
Weyburn Security**	25,344	36,926	14,675	2,103	23,402	597,769	....	80,796	682	39,581	28,771	....	....
Barclays (Canada)	12,069	26,714	14,030	3,359	390,710	1,599,578	40,654	411,620	499,974	105,072	10,100	243,250	....
Total	84,038,609	126,888,728	15,011,396	22,211,153	127,217,584	4,637,285	9,049,146	80,755,486	408,589,260	128,070,741	67,448,882	204,781,345	145,904,776

NAME OF BANK	Other current loans in Canada	Other current loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-current loans	Real estate other than premises	Mortgages on real estate	Bank Premises	Letters of Credit	Deposit for note circulation	In central gold reserves	Shares of and loans to controlled companies	Other assets	Total assets
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	266,864,054	37,787,695	13,045,669	29,735,953	2,010,519	340,753	1,449,393	14,500,000	8,002,254	1,642,836	8,000,000	2,544,539	15,051	804,002,859
Nova Scotia	90,892,621	16,137,167	954,508	8,161,820	151,362	63,221	87,522	7,854,734	5,455,771	530,231	3,500,000	....	94,600	263,391,666
Toronto	59,294,446	....	....	3,137,821	169,[illegible]82	....	2,327	3,718,803	1,438,339	289,003	2,380,866	....	....	122,796,771
Provinciale	20,288,215	....	....	1,479,264	152,860	429,237	495,435	2,1[illegible]5,267	28,456	212,600	350,000	....	238,238	51,238,682
Commerce†	226,109,032	24,854,655	5,834,520	28,071,188	2,037,715	1,985,494	2,178,373	15,179,489	23,183,950	1,250,000	8,000,000	4,083,433	323,581	620,188,632
Royal‡	290,451,216	133,152,394	4,625,098	10,060,123	[illegible]	1,953,002	1,184,613	17,027,547	35,393,058	1,750,000	4,000,000	5,340,629	553,946	855,541,405
Dominion	62,162,313	1,952,321		2,642,208	88,828	43,809	15,499	5,052,767	3,415,169	350,160	1,000,000	....	103,422	141,723,848
Nationale††	67,143,582	81,170	4,202,327	6,639,086	173,125	740,595	824,294	5,657,001	554,721	361,330	4,000,000	....	99,525	144,122,127
Imperial	63,570,039	....	1,018,345	6,095,108	182,116	126,062	525,990	5,015,887	769,646	374,490	1,350,000	....	134,067	132,901,984
Weyburn Security**	1,766,706	....	....	159,117	174,236	149,740	231,140	348,010	....	30,988	....	....	21,611	3,731,604
Barclays (Canada)	632,894	....	....	....	602	....	....	....	17,654	8,150	....	....	....	4,116,435
Total	1,149,175,118	213,965,402	29,680,467	96,182,688	7,428,476	5,831,913	7,035,637	78,559,505	78,359,018	6,799,788	32,580,866	11,968,601	1,584,041	3,143,756,013

Column No. 26. Of this deposit $13,630,866 is in gold coin; the balance is in Dominion notes.

*The business of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†In addition to the business of its Agency in San Francisco, the figures of The Canadian Bank of Commerce (California) are incorporated in the above statement.—Footnote to Canadian Bank of Commerce return.

‡The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris, and the assets and liabilities of the Royal Bank of Canada (France) are included in the above general statement.—Footnote to Royal Bank return.

††The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque Canadienne Nationale are included in above return.—Footnote to Banque Canadienne Nationale return.

**The assets and liabilities of the Weyburn Security Bank as set out in this return are subject to the provision of an agreement dated 20th January, 1931, whereby the Weyburn Security Bank, will, subject to the provision of the Bank Act, be acquired by the Imperial Bank of Canada—Footnote to Weyburn Security Bank return.

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CANADA LIFE REPLIES

Associate Actuary Endorses Post's Stand Against Practices of Government Annuity Branch

Further commendation of The Financial Post in attacking the unsound operations and practice of the Canadian Government Annuities branch, is contained in letters received from leading insurance men in Canada. There is no attempt among insurance men to oppose the government if it wishes to sell annuities on a self-supportnig basis, but strong exception is taken to the very unfair basis on which millions of dollars of business is now being sold to those who are well able to afford this type of protection without resort to the taxpayers' money. This is summed up by the general manager of one of the largest Canadian companies who writes:

"So far as I am concerned I do not feel that we have any right to oppose the government if it desires to sell annuities, providing the annuity sold is self-supporting. I think we have, however, a right to object to competition when these annuities are sold at a loss, with other taxpayers having to make up the deficit."

Headed for Bankruptcy

From L. K. File, associate actuary of the Canada Life Assurance Co., comes a carefully prepared criticism of the government plan, in which the point is made that any private corporation which continued to sell its products on such a basis as the government annuity branch, would soon be headed for bankruptcy and that no government department can long hope to escape the results of this economic law. He says:

"The article appearing in the January 8 issue of The Financial Post dealing with the sale of annuities by the Canadian government is one that is worthy of the most careful consideration by the Canadian people. The Canadian actuary whose opinion has been quoted verbatim has ample justification for the statements he makes and the situation he exposes is one that calls for immediate reform.

"Any private corporation that continued to sell its products on a basis below the cost of production and failed to adopt sound business methods by either cutting its cost of production or increasing its selling price would be headed for bankruptcy and deservedly so and certainly no government department operating on similar principles can hope to escape the results of this economic law.

Selling to People of Means

"As your correspondent points out, as long as the intention of the government was to encourage thrift among people of small means, there was something to be said in favor of charging the actual expense of administration to the taxpayers generally, although even here the actual net cost of granting annuities should undoubtedly be paid by the purchaser, but when the government has gone further and is selling annuities for such large amounts as are being sold today, they are obviously doing business with people of means who are not entitled and who can have no claim to any special consideration on the part of the Canadian taxpayer who must ultimately foot the bills.

"Your correspondent in my opinion makes a strong point when he emphasizes the fact that the government, whose duty it is to supervise the life insurance business in Canada in order to see that the interests of their policyholders are fully safeguarded, has itself entered the field already covered by these companies and in direct competition with them has sold and is selling annuities at rates which are not self-supporting and has thus forced the companies into a position where they have only the choice between doing business on an unsound basis or abandoning this field altogether.

"It is not only unfair to life insurance companies but also to the disadvantage of the Canadian taxpayer that the government should be allowed to drive life insurance companies entirely out of the annuity field unless this can be done by fair and open competition based on adequate rates and businesslike methods of administration and without requiring the taxpayers of Canada to contribute to the cost of Annuities for people who are quite able to bear the whole cost of provision for their declining years."

Annuity Operations Cost Public About $190,000 For One Year's Business

Taxpayers Must Pay Rapidly-Increasing Bill for Out-of-Pocket Expenses, in Addition to Mounting Liability Due to Inadequate Rates.

While Ottawa is filled with rumors that the salaries of civil servants are to be cut in the government's campaign to head off a rapidly-growing federal deficit, the Canadian Government Annuities branch at Ottawa goes merrily ahead in spending public money in an elaborate sales campaign to sell annuities at far below cost to all those fortunate to take advantage of this publicly-operated life insurance bargain counter.

No figures are available as yet for the fiscal year ending March 31, 1930, but in the previous year it would seem from the public accounts as contained in the report of the auditor-general of Canada, that it cost the people of Canada nearly $190,000 to operate (free of charge to annuitants), a system whose rates are based on mortality tables which were put out of use over six years ago by life inurance companies in Canada and Great Britain, because they were inadequate and unsound in the light of modern experience.

System Changed in Recent Years

Originally the Government Annuity Branch was organized for the very worthy purpose of encouraging thrift among the Canadian people, and as long as this was done through existing outlets such as local post offices, and with the minimum of expense, the fact that the rates (established in 1908) had become obsolete, was overlooked by most insurance men. In the last three years, however, the whole scheme has been rejuvenated under the active control of Superintendent E. G. Blackadar and a highly-organized and aggressive sales campaign has been instituted throughout the country which would do credit to any commercial organization—and even to the government—if it were not being done purely at the public expense.

In 1927, for instance, the department sold 503 annuities, for which purchase money of $1,890,000 was received. This was slightly less than the 1926 record but was substantially more than had been sold in any other previous year. In 1928. however, sales more than doubled to 1,223, for which purchase money of $3,843,000 was paid and in 1929 the high point of 1,328 was reached which swelled the annuity fund by $4,272,000.

Spend $65,000 in Advertising Commissions

To do this, however, and to maintain the reserves at even the government basis, it was necessary to transfer $132,844 from the Consolidated Revenue Funds of the country into the annuity account, and to spend $65,000 of public money in advertising, salesmen's commissions and sundry expense, all of which was in addition to operating (at public expense) a fairly large governmental department at Ottawa which as nearly as can be ascertained is costing at least another $25,000 in salaries alone. From the sum total of these three items, which amounts to $224,000, the annuity fund showed a balance to its credit of approximately $34,000 at the end of the year, making a net apparent cost in that year, to the public, of approximately $190,000.

That this business of selling annuities at less than cost has been tremendously profitable as a selling proposition, is indicated by the salaries and commissions received by government annuity agents in 1929. There are few if any civil servants in Canada, outside deputy ministers and departmental heads, who are receiving as much as some of these annuity salesmen. For instance, in 1929, several government annuity agents are reported in the public accounts as having received over $4,000 for selling these annuities, one of whom, in Vancouver, came within $8 of making $5,000 during that year. Several other enterprising agents netted themselves $4,000 or more, while half a dozen others made between $2,000 and $3,000. Agents' allowances and commissions totalled in all $47,253 during the year in addition to which $5,203 was was spent on advertising.

No Government Regulation

From this it can be seen that the government annuity branch has long ceased to be merely a plan to encourage thrift among Canadians, but is rapidly becoming a highly-organized insurance proposition sold in competition with other forms of life insurance which have the disadvantage of having to pay their own way; maintain adequate rates and adequate reserves; and generally comply with the strict rules and regulations of dominion or provincial supervision—none of which excellent safeguards apply to this rather amazing and expensive branch of the Department of Labor.

The following table shows clearly the substantial increase in the sale of annuities which has taken place in the past few years. The figures cover fiscal years ending March 31 in each case:

RECORD OF CANADIAN GOVERNMENT ANNUITY BRANCH

	No. of contracts sold	Purchase money received
1919	147	$ 322,154
1920	204	408,718
1921	195	531,800
1922	277	748,159
1923	339	1,028,353
1924	409	1,458,818
1925	486	1,606,822
1926	668	1,938,921
1927	503	1,894,885
1928	1,223	3,843,087
1929	1,328	4,272,250

NOTE.—This is the third of a series of article which are an attempt to place before the public and responsible officials of the Dominion government the true situation with regard to the Canadian Annuities Branch, against which many serious charges of unsound practice and methods were laid by a Canadian actuary in The Financial Post on January 8, last. In subsequent articles the inadequacy of the rates and reserves of the annuity branch will be analyzed.

BUSINESS IN FORCE OF CONTINENTAL OVER $40,000,000

Life Company Issues $8,650,800 in New Policies in 1930

Issuing new insurance in 1930 to the amount of $8,650,800, the Continental Life Insurance Co. closed the year with $40,202,904 of business in force, a gain of $1,372,324 over the amount on the company's books at Dec. 31, 1929. The net premium income was $1,239,597. In 1929, the company issued $9,205,803 of business.

Net reserves held against policy and annuity contracts amounted to $6,379,892, representing an increase of $395,383 over the previous year's figure. Assets to the value of $497,857 were added during the year, giving a total at the year-end of $7,203,577. Ledger assets were responsible for $445,028 of the increase, and among these the biggest increase was in loans on policies, up $152,551 to $1,213,240, the first mortgages on real estate, up $110,169 to $2,235,051; holdings of stocks were increased $92,000 to $215,340.

The income from interest, dividends, rents, etc., over the year amounted to $428,228, which compares with $412,494 for 1929. The average rate of interest earned on the invested assets was 6.14 per cent in both years.

Payments to policyholders during the year, including surrender values and dividends, amounted to $729,124, compared with $663,518 in 1929.

Surplus to policyholders, including paid-up capital stock $200,000, amounted to $592,880, the largest figure in the history of the company.

The following summarizes the leading items appearing in the reports for the last two years:

	1930 $	1929 $
Business		
New ins. issued	8,650,801	9,205,803
Total ins. in force	40,202,994	38,830,670
Assets		
Total ledger assets	6,592,566	6,247,537
Non-ledger assets	511,011	458,183
Surplus funds	592,880	531,749
Income		
Net prem. income	1,239,597	1,262,649
Interest and rents	428,228	412,494
Earned surplus	445,029	516,097
Payments to p'hldrs.	729,124	663,518

New Low Death Rate in 1930

A new low record for death rates was established in the United States and Canada during 1930 with a rate of 8.3 per 1,000, 6.6 per cent lower than in 1929 and 1.1 per cent below the previous record low in 1927, according to Dr. L. I. Dublin of the Metropolitan Life Insurance Co.

GUARANTEE CO. REPORTS DEFICIT AFTER DIVIDENDS

Premiums Lower With Sharp Increase in Expenditure

From Our Own Correspondent

MONTREAL.—Income of the Guarantee Co. of North America in 1930 showed a reduction at $757,397, as compared with $795,684 in the previous year. Deductions, which included heavier underwriting expenses, losses paid and profit and loss items, resulted in a balance of $94,636, as compared with $242,675. Dividends and bonus of $97,472 were paid at the same rate as in 1929 resulting in a deficit for the year of $2,836. In 1929, the company finished the year with a surplus of $145,203.

The gross amount of fidelity and surety risks in force, less re-insurance of $21,183,000, at Dec. 31, 1930, was $142.258,000, a decrease of about $17,000,000. Net premiums written during the year were $428,078, approximately $31,000 less than in the previous period.

In the balance sheet the following changes are noted. Stocks and bonds held are higher by $31,900 at $3,602,032. Of these, investments made during the year totalled $135,541, although securities, which are based on insurance department valuation, showed a depreciation of $103,641. Real estate was slightly lower at $258,606; claims amounted to $215,735, against $162,218 and reserves were down $130,000 at $600,000. Surplus is higher at $2,844,365 as compared with $2,735,409.

William S. Chadwick, secretary and treasurer of the company, was elected by directors to fill the vacancy on the home office board, caused by the death of William McMaster. Sir Charles Gordon was elected vice-president of the company.

Income Accounts Compared

Following is a comparison of income accounts:

	1930 $	1929 $	1928 $
Premiums	504,813	552,127	574,851
Int. and rents	252,583	243,556	232,580
P. & L. items	......	......	45,203
Total income	757,397	795,684	852,634
Deduct:			
Underwrit.	301,595	289,544	286,071
Re-ins.	76,735	92,854	94,779
Losses paid	121,716	62,387	71,411
Inv. exp.	53,593	48,463	51,516
P. & L. items	109,122	59,759	......
Total exp.	622,761	553,009	503,778
Balance	94,636	242,675	348,856
Div. and bonus	97,472	97,472	82,242
Surplus	*2,836	145,203	266,614

*Debit.

ORGANIZED IN 1884
The Portage La Prairie Mutual Insurance Company
Head Office, Portage La Prairie, Man. Stratton Whitaker, Manager.
FIRE AUTOMOBILE PLATE GLASS BURGLARY
Assets exceed $1,500,000.00
Western Canada's Oldest Mutual Fire Insurance Company now extends the benefits of its lower rates to Ontario—We invite your application for the Agency in your district.
Ontario Branch Office—216 Dominion Bank Bldg., Yonge & King, Toronto

Operating in Ontario, Manitoba, Saskatchewan, Alberta and British Columbia.
FIRE AUTOMOBILE WINDSTORM
Insurance in force $180,000,000.00
Assets over 2,700,000.00
Agents required in Ontario.
Write 410 Manning Chambers, Toronto.
THE WAWANESA MUTUAL INSURANCE CO.
Head Office—Wawanesa, Man.

THE CANADA NATIONAL FIRE INSURANCE COMPANY
Head Office: WINNIPEG
Toronto Office: 205 Brock Building
Walter J. Steer, Branch Manager
President, J. B. Coyne, K.C., Winnipeg, Man.
1st Vice-President, T. S. McPherson, Victoria, B.C.
2nd Vice-President, Allan S. Bond, Winnipeg, Man.
Applications for Agencies Invited

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE, WASHINGTON
HEAD OFFICE FOR CANADA: HAMILTON, ONTARIO
Writing Fire and Automobile Insurance at Cost
Assets $4,784,342.81
ALL POLICIES NON-ASSESSABLE
Paying Dividends ranging from 25% to 40%
BRANCH OFFICES:
Toronto, Ottawa, Vancouver, Victoria, Edmonton, Calgary, Saskatoon, Winnipeg, Montreal, Quebec City, Saint John, Halifax and Charlottetown

New Heads of Western Empire Life

HON. R. W. CRAIG, K.C. F. C. O'BRIEN.

Following the retirement of William Smith as president and general manager of the Western Empire Life, Hon. R. W. Craig has been appointed president and F. C. O'Brien, formerly secretary-treasurer, has been appointed general manager of the company.

ONT. EQUITABLE FEELS EFFECT OF SUBNORMAL YEAR

Business in Force Increases Only $1,217,000—Amount Issued $10,242,000

Issuing new business and reviving old policies to the amount of $10,241,877 during 1930, the Ontario Equitable Life & Accident Insurance Co. completed the year with 23,248 policies in force, representing a total of $53,677,199 of life insurance, which showed a gain over 1929 of $1,217,186. The $10,000,000 new and revived business was covered by 3,477 policies; the gain in the number in force, however, was 94.

While these figures indicate a definitely reduced scale of operations in comparison with the previous year, it may be observed that 1929 was an abnormal year in the growth of the company, mainly due to the amalgamation with the Equity Life early in that year.

The company received during the year a total income of $1,915,091, this being $178,726 lower than that for 1929; the net premium income, however, was about $143,000 higher. In 1929, capital stock subscriptions amounting to $158,277, and premiums thereon totalling $472,571 were responsible for the higher income; the only item in this connection appearing in the statement for 1930 is $69 276 for premium received on capital stock.

Interest, dividends, rents and profits on investments yielded $441,053, an increase of nearly $33,000 upon invested assets approximately $500,000 in excess of those at the end of 1929. The average rate of interest earned, after deducting investment expenses, was practically the same as that for the preceding year at 6.51 per cent.

The company's balance sheet shows total assets as at Dec. 31, 1930, amounting to $7,816,487 compared with $7,323,146 at the end of the preceding year. The distribution of these was as follows:

Mortgages and agr. of sale	46.2%
Bonds, debs., and stocks	31.5%
Policy loans	13.0%
Loans on collateral	.4%
Real estate, incl. H. O.	2.5%
Cash on hand and at banks	.4%
Non-ledger	6.0%
	100.0%

Death and disability claims were heavier during the last year at $257,784, while of matured and surrendered policies, $305,493 was disbursed in respect of matured and surrendered policies, an increase over the previous year of $67,000. The company's total income exceeded the disbursements by $771,979 compared with $1,024,719 in 1929.

Surplus funds showed a decrease of nearly $36,000, standing at $318,577. This is after an assignment on account of paid-up capital of $654,765, as against $642,417 at the close of 1929.

The following is a summary of the leading items in the company's statement, comparing 1930 and 1929:

	1930 $	1929 $
Business		
New ins. issued	10,241,877	12,762,531
Total ins. in force	53,677,199	52,460,013
Statutory reserves	6,280,665	5,547,433
Income		
Net prem. income	1,399,294	1,256,698
Int., rents, profit on inv. and other inc.	446,521	837,119
Prem. on cap. stock	69,276	......
	1,915,091	2,093,817
Paid to pol'hldrs.	569,328	496,763
Assets		
Net ledger assets	7,345,791	6,842,743
Non-ledger assets	470,696	480,403
Total assets	7,816,487	7,323,146
Surplus unassigned	318,576	354,482

MUTUAL RELIEF LIFE MAKES BIG SHOWING

Former Fraternal Association Issues $3,283,000 in 1930

Mutual Relief Life Insurance Co. finished 1930 with $21,043,453 insurance in force, a net increase over the previous year of $1,565,490. New insurance issued during the year and reinstatements amounted to $3,283,506, or 215 per cent of that for 1929. The company's head office is at Kingston, Ont.

The total paid in death claims for the year amounted to $355,778, a decrease of $34,811. Payments to policyholders totalled $409,542, of which amount $52,686 was paid on surrendered policies, which figure exceeded surrenders for 1929 by $16,446.

Net premium income was $35,952 higher than in the preceding year at $582,224, while receipts in interest, dividends and rents were up $38,511, these totalling $259,492. A profit of $18,700 was made on the sale of securities. The net interest rate earned on invested assets showed an increase from 5.42 to 5.75 per cent.

As at December 31, 1930, the company had assets of $5,084,257, of which bonds and debentures represented $3,883,995. Fifty per cent of this latter are government and municipal bonds. First mortgages on real estate are held to the value of $713,000, and loans on policies amount to $124,686. Stocks are held to the value of $178,851.

The company shows a surplus of $125,158 after setting aside a special unassigned reserve of $35,000.

The present report is the second issued by this former fraternal organization since becoming a "line" company.

SOVEREIGN LIFE 1930 BUSINESS TOTALS $4,784,600

Strengthened Financial Position Despite Difficult Year

Business written and revived during 1930 by the Sovereign Life Assurance Co. amounted to $4,784,600 as compared with $6,292,230 in 1929 and brought the total business in force to $30,014,589 as compared with $29,458,580 in the previous year. Of the total in force 84 per cent is on profit sharing plan and 16 per cent is non-participating business. Operating largely in Western Canada, the company has had to contend with difficult conditions and has recently secured a license in Quebec and has established an office at Montreal with the intention of cultivating new territory.

The company had total receipts of $1,185,302 in 1930 as compared with $1,244,853 in 1929, while total disbursements amounted to $741,471 and $696,341 respectively. Payments to policy holders increased to $391,516 from $322,228. Total assets increased to $6,024,837 from $5,490,082.

Investments Earn 5.85 Per Cent

The company earned 6.85 per cent on its investments which totalled $5,531,229. In 1929, the company earned 6.90 per cent on $5,139,511. The ratio of policy loans to the total of investments has increased to 18.88 per cent during the year from 15.46 per cent in 1929. Government, municipal, public utility and industrial bonds have been reduced to 29.65 per cent of the total as compared with 33.16 per cent in 1929, while mortgages hold approximately the same position at 45.65 per cent. Preferred and common stocks held account for only 2.65 per cent.

Substantial additions have been made to reserves. Investment reserve has been increased to $160,000 from $112,742; contingency reserve to $70,000 from $60,000. Provision for future profits to policy holders is up to $265,210 from $244,200, while $80,618 was distributed as profits to policy holders during 1930. Provision for other accrued profits to shareholders in 1931, other than deferred dividends is shown at $64,626. The unassigned surplus, above capital, special reserves and all other liabilities, is $163,546 as compared with $167,509 in 1929.

Paid-up capital stock outstanding remains the same at $209,995. The stock has a par value of $100 and is 25 per cent paid-up. Dividends paid in 1930 amounted to $14,700 or 7 per cent on paid-up capital.

Comparative figures for 1930 and 1929 business are as follows:

	1930	1929
Business written	$ 4,784,600	$ 6,292,230
Business in force	$30,014,589	$29,458,580
Premium income	$ 853,845	$ 911,790
Total income	$ 1,185,302	$ 1,244,853
Total assets	$ 6,024,837	$ 5,490,082
Payments to policyholders	$ 391,516	$ 322,228
Rate earned on investments	6.85%	6.90%

HEART OF THE FINANCIAL DISTRICT — INSURANCE EXCHANGE BUILDING
In the few hundred yards surrounding the Insurance and Exchange Building, the concentrated essence of Canadian business is transacted, and the district may be aptly called the Mecca of all commercial visitors to the Metropolis.
There is desirable space available NOW, something to suit a large organization to a small company, at extremely moderate rentals, long leases and plenty of room for expansion.
INSURANCE EXCHANGE CORPORATION
Room 228, Insurance Exchange Building
276 St. James Street, Montreal

Ontario Fire Loss Lower; Number of Fires Increased

Ontario's fire loss in 1930 amounted to $16,145,538, slightly under the 1929 total of $16,272,484, while the number of fires increased to 14,323 as against 14,102 in 1929, according to the report of the Ontario fire marshal. Of the 1930 loss, $13,082,074 was covered by insurance, a decrease of $604,029 from 1929.

There was a substantial increase in number of dwellings burned from 9,529 in 1929 to 10,074 in 1930 but the loss increased by only $131,934 to $3,265,942. Factories accounted for the greatest loss with 425 fires in this classification and a loss of $3,515,451, as compared with 491 fires and a loss of $3,188,438 in 1929. Barns burned to the number of 914 with a loss of $2,231,690, a decrease in number of 99 but an increase in loss of $119,358.

The only class to show improvement in number and amount of loss was in stores in which 1,245 fires accounted for a loss of $2,807,544. In 1929 there were 1,327 stores burned with a loss of $3,104,962.

December fire losses amounted to $1,865,693 from 1,275 fires as compared with $2,092,953 lost in 1,242 fires in 1929.

Licenses Issued

DOMINION

The following companies have received Dominion licenses to transact insurance against loss or damage to, property other than growing crops, by hail, in addition to the classes of insurance for which they were already licensed:

National Liverpool Insurance Co.
Liverpool-Manitoba Assurance Co.
Globe Indemnity Co. of Canada.
Imperial Insurance Office.

Manitoba Attracts Industries

Thirty two new industries were established in Manitoba in the year 1930 while 16 established industries added new lines and 12 expanded their factories.

Insurance Inklings

HERBERT BEGG, managing director of the Wellington Fire Insurance Co., was presented with some Sheffield silver by the directors of the company, at the annual meeting held recently. The gift was made as a mark of esteem and appreciation for Mr. Begg's years of service with the company.

The objective set by Vancouver Life underwriters of $1,500,000 new insurance written during the period January 19 to 24 was exceeded and the agents from 24 life insurance companies rolled up a total of $1,635,000. Vancouver assurance week was arranged by the Vancouver Life Underwriters' Association and radio talks, newspaper and window displays were included in the arrangements.

The PRUDENTIAL has opened branch offices in Montreal and Toronto to transact life insurance business in addition to the other lines which have been written since 1923. C. C. H. DRAKE has been appointed organizing life manager for Canada with F. C. CAPON as assistant manager. G. A. MAIN is in charge of the Montreal life branch and M. E. HARTLEY is in charge of the Toronto life branch.

Compulsory Insurance Is in Prospect For B.C.

Compulsory automobile insurance for British Columbia will follow on the outcome of the Ontario probe into automobile insurance rates. It is reported that legislation compelling all car owners to insure against damage to the public will be introduced at the 1932 session of the British Columbia legislature.

It is understood that British Columbia authorities feel that compulsory insurance should not be introduced until there is assurance of the lowest possible rates being in force.

PROTECTION
The Independent Order of Foresters is a fraternal benefit society operating under a lodge system and existing for the purpose of affording to men and women the completest protection at the minimum cost.
This protection covers practically every phase of family life. In addition to the protection afforded through its Insurance and Sick Benefit Departments, a number of practical fraternal benefits are available to its members.
Reserves—$36,372,031.45 Surplus—$2,501,088.12
Independent Order of Foresters
FRANK E. HAND, Supreme Chief Ranger. HEAD OFFICE: TORONTO, CAN.

PRUDENTIAL
ASSURANCE COMPANY LIMITED, of LONDON, ENGLAND
ESTABLISHED 1848
Assets Exceed $1,000,000,000
Licensed for Life, Fire and Casualty Insurance
Investments in Canada exceed $35,000,000
Head Office for Canada—Dominion Square Building, Montreal
WESTERN BRANCH: Huron & Erie Building, Winnipeg

In 1930
PROGRESS MAINTAINED AND PREVIOUS STRONG POSITION IMPROVED

Comparative Statement	1925	1930
Total Income	$ 840,224.86	$ 1,185,301.96
Paid to Policyholders	288,166.17	391,515.85
Policyholders' and General Profit-fund	326,279.32	641,503.37
Total Assets	3,351,730.07	6,024,836.52
Insurance in Force	18,819,050.00	30,014,589.00

Surplus Funds for General Security amount to $641,503.37
Bonds, Mortgages and Policy Loans constitute 94.2% of Investments—Rate of Interest earned in 1930, 6.85%
Policy-holder's Dividends to be continued in 1931 on same liberal scale as heretofore.
Ample Provision made for every Contingency.

BALANCE SHEET, DECEMBER 31, 1930

ASSETS		LIABILITIES	
Bonds, Debentures and Debenture Stocks (ledger value)	$1,639,834.26	Net Reserve under Assurance and Annuity Contracts, including value of Supplementary Contracts	$4,792,005.00
Preferred and Common Stocks (ledger value)	146,497.50	Policyholders' Funds on Deposit	57,527.60
First Mortgages on Real Estate	2,525,183.82	Premiums and Interest in Advance	48,403.22
Real Estate Owned	175,614.14	Sundry Amounts Owing	32,600.89
Loans on Policies secured by Reserves	1,044,099.01	Borrowed for Investment Account	66,087.08
Net Outstanding and Deferred Premiums (less cost of collection)	291,566.44	Shareholders' Surplus Account	16,714.36
Interest Outstanding	103,766.22	Capital Stock Paid Up	209,995.00
Interest and Rents Accrued	98,275.13	Policyholders' Profit Funds	407,957.00
		Investment and Contingency Reserve	230,000.00
		Unassigned Surplus (above Capital, Special Reserves and all other Liabilities)	163,546.37
	$6,024,836.52		$6,024,836.52

THE SOVEREIGN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE - WINNIPEG
ONE FOR ALL, ALL FOR ONE
PROTECTION AND SECURITY FIRST

REED, SHAW & McNAUGHT LIMITED
INSURANCE BROKERS
and
FIRE PROTECTION ENGINEERS
Royal Bank Bldg. — Montreal
64 Wellington St. West — Toronto

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Consulting Engineer
305-309 Broadway, New York City, N.Y.
Member:
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Steam Power Plants
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Hardy S. Ferguson, Member A.S.C.E., A.S.M.E., E.I.C.
Moses H. Teaze, Member A.S.M.E., E.I.C.
J. Wallace Tower, Member A.S.C.E., A.S.M.E.
Pulp and Paper Mills *Power Developments*

ESTABLISHED 1908
ROBERT DODD & COMPANY
INCORPORATED
Investment Bankers
The Royal Bank Building, Montreal
HArbour 8141-2

HAMILTON BRIDGE COMPANY
LIMITED
Designers, Fabricators and Erectors
of every class of
Structural Steel Work
Head Office and Works:
HAMILTON - CANADA

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning and operating mills at
Murray Bay, Que.
Beaupre, Que.
Sturgeon Falls, Ont.
Espanola, Ont.
Sault Ste. Marie, Ont.
Iroquois Falls, Ont.
Smooth Rock Falls, Ont.
Fort William, Ont.
Pine Falls, Manitoba
Daily Capacity 2200 Tons Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

CANADIAN VICKERS LTD.
Aircraft Ships Engines
Structural Steel
Boilers Mining Machinery
General Engineering
25,000 Ton Floating Dock
Head Office and Works:
MONTREAL — CANADA

The
Canada Power & Paper
Corporation
Total Daily Capacity of Plants:
2,464 Tons of Newsprint
130 Tons Pure Kraft Paper
130 Tons Pure Sulphate Pulp
also producing
CARDBOARD, INSUL BOARD, WRAPPER and SULPHITE and GROUNDWOOD PULPS
SAW MILLS AT PEMBROKE, ONT., producing White Pine, Red Pine and Spruce Lumber Pickets, Laths, etc. — Annual Capacity of 25,000,000 F. B. M.
Successor and Operating Company of
Belgo-Canadian Paper Company Limited,
Shawinigan Falls, Que.
St. Maurice Paper Company Limited,
Cap de la Madeleine, Que.
Laurentide Company Limited,
Grand'Mere, Que.
Laurentide-Ottawa Company Limited,
Pembroke, Ont.
Port Alfred Pulp and Paper Corporation,
Port Alfred, Que.
Wayagamack Pulp and Paper Co. Ltd.,
Three Rivers, Que.
Anglo-Canadian Pulp and Paper Mills Limited,
Quebec, P.Q.
Head Office:
MONTREAL QUEBEC

Canadian Pulp and Paper Industry

EARNINGS DROPPED DURING LAST YEAR OF HINDE & DAUCH

Bond Interest Earned With Good Margin—Available for Common $7,522

Hinde & Dauch Paper Co. of Canada, which manufactures fibre shipping boxes, corrugated paper products and produces straw paper for corrugated purposes generally, had net profit of $7,522 in 1930 as compared with $191,711 in 1929 after full charges in both years for depreciation, bond interest, income tax and amortization of reorganiation and bond expenses. Earnings therefore in 1930 were equivalent to 2½ cents a share as compared with 64 cents a share in 1929, $1.76 a share in 1928, $1.86 a share in 1927, $1.44 a share in 1926, $1.27 a share in 1925 and $1.90 a share in 1924. The stock had been paying for 21 months at the rate of $1 annually, but the quarterly dividends of 25 cents a share were passed after January 2, 1930.

The drop in earnings fully explains the ceasing of common stock dividends. There was, however, sufficient to pay bond interest 2.79 times before depreciation and 1.23 times after depreciation. The 5½ per cent first mortgage bond Series "A" due May 1, 1948, were further reduced during the year through the operation of the sinking fund from $1,458,000 to $1,425,000.

Working Capital is Satisfactory

Working capital position was maintained in satisfactory shape by the ceasing of dividends. In 1929 current assets were $985,087 on Dec. 31 and a year later $868,945. Cash was a trifle higher at the end of 1930, accounts receivable were lower and merchandise finished adn in process, and paper were lower in the inventories while raw materials and supplies had increased from $214,881 to $432,022. The company is evidently prepared for increased business whenever it appears. There is no secured call loan shown at the end of 1930 as compared with $75,000 a year earlier and $1,150,000 two years earlier.

The disappearance of the secured call loan is probably accounted for in great part by the extensions made to the Toronto plant in 1929. Fixed assets, for instance, increased from $3,131,470 after depreciation on Dec. 31, 1928, to $3,954,219 at the end of 1929 and this had become $3,910,415 at the end of 1930. The total of fixed assets before depreciation in 1930 was $4,942,762 as compared with $4,772,135. The drop in depreciated value shown for fixed assets results from the depreciation reserve being increased from $817,916 to $1,032,347.

Bank Loan is $200,000

Current liabilities of $300,558 compares with $385,471 a year earlier. The total at the end of 1929 had been boosted by $74,983 payable for dividends and $155,000 due on a purchase contract for mill machinery, neither of which appear in the 1930 balance sheet. The total in 1930 also includes a $200,000 bank loan which is not shown in balance sheets of the previous three years. Trade accounts and income tax payable are lower.

INCOME AND SURPLUS ACCOUNT
Years Ending Dec. 31

	1930	1929	1928
	$	$	$
Net earnings	214,308	455,717	773,324
Less: Deprec.	119,765	142,086	134,157
Bond interest ..	76,.907	81,833	54,825
Income tax	1,174	18,632	42,591
Reorgan. and bond exp. amort. ..	8,940	21,.455	13,147
Net profit	7,522	191,711	528,504

WORKING CAPITAL

	1930	1929	1928
	$	$	$
Current assets ...	868,945	985,087	2,047,794
Current liabilities.	300,558	385,471	228,770
Working capital..	568,387	599,616	1,819,024
Ratio	2.89—1	2.56—1	8.95—1

Scott Paper Reports Larger Profits in 1930

From Our Own Correspondent

MONTREAL.—Scott Paper Co. and subsidiary companies, which receive a substantial proportion of their pulp requirements from Canada, report net earnings of $821,112 in 1930. This compares with $727,901 in 1929.

According to the annual report, sales to customers amounted to $8,642,554, against $7,895,790 in 1929. Gross profit on sales was $3,171,738, against $2,735,901 in 1929, while expenses of selling and administration reached the sum of $2,053,772, against $1,759,786 in the previous year. After taking care of other prior charges, net earnings available for dividends totalled $986,845, compared with $893,250 in 1929.

New Brunswick Pulpwood Season on Smaller Scale

From Our Own Correspondent

MONTREAL.—Pulpwood has not as good prospects in New Brunswick this season as has the ordinary lines of lumber. The cut last year was greatly reduced, but even with that, there is no prospect for any stimulating demand. Pulpwood now ready for the market will not move in some cases before next summer.

The pulp-peeling camps in 1931 will operate on a scale much lower than in other years. The reason for this is the over-supply at the mills on both sides of the line, which has been the case for some time. The Russian pulpwood, which was allowed to be landed at ports in Maine, also reduced the demand for the New Brunswick product as well as for that of Nova Scotia.

Dominion Rubber Co. Secures Big Contract

From Our Own Correspondent

MONTREAL.—Dominion Rubber Co. is understood to have received from Imperial Oil contracts to supply that company with Atlas tires. United States Rubber Co., which controls Dominion Rubber, has the contract for manufacture of the Atlas tires that are distributed by Standard Oil Co. of New Jersey, which, in turn, controls Imperial Oil.

No details are available as to the extent or value of the contract between Dominion Rubber and Imperial Oil. In view of the wide distributing facilities of the latter, it is presumed that the contract involves substantial additional business for the rubber company.

McColl-Frontenac Extend Activities in Maritimes

From Our Own Correspondent

MONTREAL.—McColl-Frontenac Oil Co. will spend $100,000 in construction of oil storage tanks at East Saint John and fitting up this depot for the handling of the company's products in that territory.

It is reported that the company has secured from the Harbor Commission a lease of land, upon which tanks will be erected having a storage capacity of 2,000,000 gallons. From six to eight tank steamers will bring cargoes to Saint John each season.

"Long-Shot" Possibilities Of Newsprint Securities Attract Shrewd Buyers

From Our Own Correspondent

MONTREAL.—At one time the most popular group of trading stocks on the Canadian stock exchanges, pulp and paper securities have come to be like a dog with a bad name—wanted by nobody.

Values of the individual issues have dropped to a few dollars a share; preferred stocks are selling at a fraction of their original offering price; while bonds are selling at a heavy discount.

Yet several hundred millions of dollars are invested in the pulp and paper industry and as a group their importance is not to be minimized by the present low prices.

Industry is Sound

Inherently the industry is sound. Though it may be a long drawn out process, it will eventually get back on its feet and its securities again rate as a first rate investment.

Before that takes place, many changes will undoubtedly take place. Some of the present securities may lose their identity, others may be wiped out, but one or more of the current issues will come out on top and the holder will reap substantial profits.

It is this fact which holds the interest of the professional and non-professional investor. But when it comes to selecting the issue which will be to the fore when pulp and paper securities again come into popularity, is a task which, at this juncture, no one feels qualified to undertake.

Old Yardsticks Discarded

To make a thorough examination of paper securities at present, there are many factors to be taken into consideration. Earning power—one of the most common yardsticks used to measure values—means little at present. Price Bros. is the only company to pay a dividend on its common stock. Others report only a few cents a share. Accordingly present values of the stocks are based more upon actual assets and what the companies might do under more favorable circumstances.

Whether the speculative investor should consider bonds, preferred or common stocks, is a difficult matter to decide. Some of the companies are regarded as having an excessive capitalization, which, in the event of reorganization, might result in the material cutting down of values. On the other hand, an apparently highly capitalized company might pull through the present trying period, with resulting profit to the stockholder or bondholder.

Come Through Crisis

One fact stands out above all others, and that is that the industry will again come into its own. The difficulties which face the producer today might have been avoided by concerted action, but, on the other hand, they can be overcome by concerted action.

The newsprint section, which is the greatest and most important branch of the industry, will continue to go on. There is a world-wide demand for newsprint and Canada is in a position to meet the need. At present machine installations are far in excess of requirements. An embargo on new installations for several years, would enable consumption to advance and lower the present wide spread between supply and demand. It may take several years to bring this about, but it is essential in the general welfare of the industry that no more machines be installed.

Still a Long Hold

To buy newsprint, or other pulp and paper, securities at the present time involves an element of risk and considerable patience. Even when the turn in the tide takes place, it is going to be a long time before the companies resume dividend payments on their junior securities. Those producers that successfully come through the present period, however, will eventually reward their shareholders for the long wait.

Newsprint Output Over 4,000,000 Tons

The steady increase in Canadian production of newsprint, with the exception of the setback last year, has been accompanied by a decrease in output of American mills. Total production of North American mills, however, has increased rapidly and for the third time on record output in 1930 exceeded 4,000,000 tons.

Of this amount Canada produced 2,499,631 tons; United States, 1,281,502 tons; Newfoundland, 287,259 tons, and Mexico, 14,286 tons. Total production amounted to 4,082,678 tons.

The following figures make an interesting comparison between production in Canada and the United States in the past seven years:

	Canada	United States
1930	2,499,631	1,281,502
1929	2,728,827	1,392,276
1928	2,381,102	1,417,572
1927	2,086,949	1,485,495
1926	1,881,737	1,684,218
1925	1,522,217	1,530,318
1924	1,352,094	1,481,425
1923	1,266,232	1,485,000

PULPWOOD SHIPPERS COMPLAIN OF RATES

Claim High Railway Charges Are Choking Off Trade

From Our Own Correspondent

MONTREAL. — Representatives of pulpwood producers from Fort William to Halifax in convention here, were unanimous in the opinion that Canadain railroads' high freight rates were throttling their business, and that, unless these rates were immediately and substantially reduced, not only would the pulpwood business be lost to the company, but the railroads themselves, would suffer by reduced earnings to the extent of several million dollars.

Examples of the burden pulpwood shippers are forced to carry on under present rates were outlined at the meeting. Out of the gross returns received by one of the larger shippers in the Canadian Pulpwood Association for wood delivered to the United States mill, 65 per cent is paid to the railroads in freight. Another producer in the Cochrane district reported the value of a carload of wood at the shipping point at about $112, but freight charges alone to the United States border amounted to $150.

It was held by members that freight rates on pulpwood are altogether out of line with freight rates on other low cost raw materials. Commodity values generally have dropped in the past three years, labor has had to come down and freight rates should be correspondingly reduced in the opinion of the members, if Canada is to continue to hold her export trade in this commodity.

National Brew. Earnings Maintained Last Year

From Our Own Correspondent

MONTREAL.—Earnings of National Breweries Ltd., for 1930 are expected to equal or exceed those of 1929. The company's sales held up well and favorable weather in the fall of last year enabled business to be maintained at a better than seasonal rate.

No figures have been published during the last year and there is no indication what profits the company will show. In 1929 earnings were equal to $2.33 a share on the common on which dividends are paid at the annual rate of $1.60 a share. It is expected that the company's financial statement will reveal the usual heavy write offs for depreciation and an increase in the value of fixed assets.

Additional property acquired recently comprises the garage of J. R. McCuaig which was purchased for $185,000. Progress is being made with construction of the National Breweries new head office building which will be ready for occupancy in the summer of this year.

Pulp and Paper Exports Down

Wood pulp exports for 1930 amounted to $39,059,979 as compared with $43,577,021 in 1929 and exports of paper to $138,440,243 as compared with $154,710,085. For the year, total exports of pulp and paper were valued at $177,500,222 a drop of 10 per cent from 1929.

WEST KOOTENAY EARNINGS RECORD STEADY INCREASE

Net for 1930 Reveals Gains of Nearly $200,000

From Our Own Correspondent

MONTREAL. — Net earnings of West Kootenay Power & Light Co. in 1930 amounted to $1,885,180 as compared with $1,685,154 in the previous year. The steady growth of the company in the past five years is illustrated by the fact that net earnings in 1926 were $1,270,638.

Expansion in earnings reflects additions to property following increased activity in operations of the parent organization and principal customer, Consolidated Mining and Smelting Co. of Canada.

Develops 167,000 Horsepower

West Kootenay Power has been increasing its productive capacity steadily and at the present time operates three hydro-electric plants on the Kootenay River, having a total installed capacity of 167,000 h.p. These stations are located at Upper Bonnington Falls, (32,000 h.p.), Lower Bonnington Falls, (60,000 h.p.) and South Slocan, (70,000 h.p.).

In addition, the company presently has under construction a unit at Corra Linn, which, on completion, will have an installed capacity of 57,000 h.p. West Kootenay also has plans under way for the development of 30,000 h.p. on the Adams River, 35 miles north-east of Kamloops. Production from this source will supply power requirements to the Okanagan district and surrounding territory.

Rights on Pend 'Oreille

One of the features of development in the utility field in British Columbia last year was the award to West Kootenay of the right to develop a power site on the Pend d'Oreille River near its junction with the Columbia. Plans are now being prepared for a plan which will have an ultimate capacity of 300,000 h.p. at this site.

While the greater part of present production goes to Consolidated Mining and Smelting whose plants are situated at Tadanac, the company also supplies power to the Granby Consolidated Mining, Smelting and Power Co. at Allanby. Through subsidiaries, West Kootenay Power supplies a number of towns and communities in Southern British Columbia, including Trail, Rossland, Penticton, Summerland and other localities.

Through financing now being undertaken, the capital structure of West Kootenay Power will be simplified. First mortgage and general mortgage bonds of the company and first mortgage bonds of Cascade Water Power and Light Co., amounting to $2,186,953 will be redeemed and replaced by an issue of $6,500,000 first mortgage bonds.

New Director National Trust

A. N. Mitchell, general manager of Canada Life Assurance Co., has been elected a director of the National Trust Co., filling the vacancy caused by the death of H. H. Fudger. Mr. Mitchell's election took place at the annual meeting of National Trust on January 29.

JAMES W. SEWALL
Consulting Forestry
JAMES W. SEWALL
Old Town, Maine
PHILLIPS & BENNER
Ruttan Block, Port Arthur, Ontario

Sutcliffe Company Ltd.
CONSULTING ENGINEERS
and
ONTARIO LAND SURVEYORS
NEW LISKEARD, ONTARIO

WINDSOR HOTEL CO. EARNS PREFERRED BY SOUND MARGIN

Company Improves Balance Sheet Position in Difficult Year

From Our Own Correspondent

MONTREAL. — Despite a year which militated against hotel profits, earnings of Windsor Hotel Ltd. in 1930 were sufficient to take care of all charges, preferred dividends, and to leave a surplus equal to $1 a share on the common stock. This compares with earnings of $2.95 a share in 1929.

Net earnings for last year were $606,190 as compared with $681,180 in 1929. Provision for depreciation was higher by $30,000 at $200,000 and net profits after bond interest amounted to $196,587, a decrease of $100,000. This was equal to $8.82 a share on the preferred as opposed to $13.04 a share in the preceding year.

Profit and Loss Compared

Following is a comparison of profit and loss accounts for the past two years:

	1930	1929
Net earnings	$606,190	$681,180
Deduct:		
Depreciation	200,000	170,000
Bond interest	209,603	214,814
Net profit	196,587	296,366
Pref. divids.	146,250	146,250
Surplus	50,337	150,116
Prev. surplus	323,781	160,840
	374,118	310,956
Adjustments	2,057	12,825
P. & L. balance	$376,175	$323,781

Improved Liquid Position

Balance sheet position was satisfactory with working capital higher at $998,064 as compared with $827,928. Current assets totalled $1,196,860 and current liabilities are $198,064.

In assets, investments at cost have been increased by $121,000 to $969,814. Cash has been reduced from $142,341 to $74,874 and accounts receivable are about $6,000 lower at $52,423 Interest receivable is slightly higher at $11,627 and inventories are down by $16,000 at $88,122.

Fixed assets are valued at $6,755,000, the same as last year, while cash in hands of trustee for sinking fund, prepaid expenses and deferred charges are virtually unchanged at $40,605. Total assets amount to $7,992,465, an increase of about $35,000.

In liabilities, accounts payable have been reduced from $196,708 to $78,633 and accrued charges are lower by some $17,000 at $118,033. Of the first mortgage bonds $60,500 have been redeemed, leaving $2,230,700 outstanding and outstanding refunding mortgage bonds of $1,076,800 represent a redemption of $21,300.

Depreciation reserve has increased from $350,167 to $550,167 and balance brought forward into the current year at $376,175 represents an increase of about $53,000.

Victor E. Mitchell, president of the company, pointed out to shareholders that curtailment of expenditure in all directions, due to the serious business depression which had prevailed during the past year, resulted in a considerable decrease in volume of the company's business in all departments, yet the actual net increase had not been as great as anticipated. The directors had, during the past year, exercised the strictest possible economy.

H. Simon Increases January Cigar Sales

From Our Own Correspondent

MONTREAL. — Cigar sales of H. Simon & Sons Ltd. in January were higher than in the same month last year. While the first few months of the year usually reflect a seasonal slackness in the company's business the initial increase is held to be encouraging.

The company has put into effect rigid economies which will find reflection in the current year's operations, while various expenses incurred in 1930 in connection with installation of new equipment are not expected to recur this year.

Earnings in 1930 were equal to $2.51 a share on the common stock as compared with dividend requirements of $2.50. Preferred dividend needs during the current period, however, will be lower since the company redeemed $65,500 of 7 per cent preferred stock last year.

List Telephone Stock

From Our Own Correspondent

MONTREAL. — Montreal Stock Exchange announces the listing of Associated Telephone & Telegraph Co., 115,000 Class "A" shares (cumulative at $4 per share and participating — redeemable) of no par value.

MONTREAL POWER CUSTOMERS SHOW FURTHER INCREASE

Books Showed 432,844 Users of Service at End of 1930

From Our Own Correspondent

MONTREAL.—A further increase in the number of customers served by Montreal Light Heat and Power Consolidated was recorded in 1930. At the end of 1930 there were 432,844 gas and electric customers on the company's books, and increase of 17,043 over the previous year. Of the total, gas customers numbered 191,879 and electric were 240,965.

Each year has witnessed an increase in the number of customers served. In 1902 the company had 25,347 gas customers and 5,611 electric customers. Since that time, without a single exception, every year has witnessed an increase in customers, though users of electricity have gained steadily on gas customers.

Consumption Widely Increased

Reflection in consumption has been marked. In 1902, output of gas was 848,593,000 cubic feet which had grown to 6,241,947,000 at the end of 1930. Output of electricity in kw.h. has increased from 42,980,260 in 1902 to $1,650,626,536 at the end of last year.

The increased consumption has enabled the company to cut its electric rates from 13½ cents per kw.h. in 1902 to 3 cents in 1930 graduating downward to 1½ cents for quantity consumption. Gross earnings have shown steady improvement despite reductions in rates.

The recently published financial statement for 1930 showed further progress on the part of Montreal Power with earnings after all deductions equal to $2.19 a share as compared with $2.14 a share in 1929. Gross earnings were up nearly $1,200,000 at $23,484,080, the highest in the history of the company.

Considerable expansion of property was undertaken last year and new distribution systems were acquired. The company is presently negotiating with Lachine with a view to acquiring the distribution system in that town and a valuation of the property is being carried out by the company's engineers.

61st Annual Statement

THE
MUTUAL LIFE
Assurance Company
OF CANADA
WATERLOO, ONT.
Established 1869

The 61st Annual Statement of the Company shows substantial progress in the past year.

Net Surplus earned	$ 5,254,351.00
New Assurances paid for 1930	60,526,212.00
Dividends paid Policyholders	5,080,789.00
Surplus Funds and Contingency Reserves	12,468,009.00
Total Assets	116,662,059.00
Insurance in force	492,833,318.00

Rate of Interest earned on Invested Assets 6.13%
Lowest expense ratio in the Company's history.

Financial Statement as of December 31st, 1930:

ASSETS

Bonds	$ 44,220,138.33
Mortgage Loans on Real Estate	42,342,981.71
Stocks	865,849.12
Real Estate, including Head Office Building	1,965,485.99
Loans on Policies	22,100,398.41
Cash	142,529.29
Premiums in course of collection	2,138,143.24
Interest due and accrued	2,886,533.55
Total	$116,662,059.64

LIABILITIES

Policy Reserves	$ 94,605,681.07
Unpaid Policy Claims and Dividends to Policyholders, due but not paid	797,688.00
Dividends left with the Company at interest	8,039,521.96
Taxes	229,081.90
Other Liabilities	522,077.26
Special Reserves and Surplus Funds	12,468,009.45
Total	$116,662,059.64

BOARD OF DIRECTORS
R. O. McCulloch, *President*
C. M. Bowman, *Chairman of the Board*
L. L. Lang, *1st Vice-President*
Maj.-Gen. Hon. S. C. Mewburn, K.C., C.M.G., *2nd Vice-President*
Hume Cronyn
L. J. Breithaupt
Glyn Osler, K.C.
Hon. J. Fred Fraser
E. G. Long, K.C.
C. F. Sise
W. G. Watson
T. A. Russell, LL.D.
W. J. Blake Wilson
Isaac Pitblado, K.C., LL.D.
Hon. J. E. Perrault, K.C.

OFFICERS
W. H. Somerville, A.I.A., *General Manager*
A. E. Pequegnat, A.I.A., F.A.S., *Assistant General Manager*
H. M. Cook, A.I.A., F.A.S., *Secretary*
H. L. Guy, F.A.S., *Treasurer*
J. M. Laing, A.I.A., F.A.S., *Actuary*
H. Holmes, A.I.A., F.A.S., *Associate Actuary*
W. Carlisle, *Supt. of Agencies*
J. M. Livingston, M.D., *Medical Director*

PROGRESS OF THE COMPANY

Year	Income	Assets	Paid to Policyholders	Business in Force
1890	$ 489,858	$ 1,696,076	$ 176,151	$ 13,710,800
1910	3,020,996	16,279,561	804,759	64,855,279
1930	25,883,721	116,662,059	13,394,440	492,833,318

T. B. Macaulay Sees New Prosperity Era

President of Sun Life Assurance Company of Canada, at Annual Meeting of Company, Outlines Causes of Present Depression and Expressed Faith in Future—Stabilization of Dollar Values Needed to Prevent Future Depression.

Company's Investments Sell Above Book Value Despite Great and in Many Respects Unnecessary Period of Deflation of Stock Market Quotations—Policy of Permanent Holding, Even for Out and Out Investors, May Require to be Modified in Exceptional Periods of High Prices.

At the annual meeting of the Sun Life Assurance Company of Canada, held in Montreal on February 10, 1931, T. B. Macaulay, president of the company, commented at length on the results of 1930 and the present world economic situation.

In presenting the annual report to the shareholders and policyholders, Mr. Macaulay pointed out that the company's investments had a value at the end of the fiscal year greater than what they had cost the company. Common stocks were worth $8,500,000 in excess of cost and while there was some decline below cost in the value of bonds and preferred stocks, the excess in market value in common stocks was more than sufficient to absorb this decline and to make ample allowances for all possible losses on mortgages.

Mr. Macaulay felt that an improved method of valuation of common stocks might be adopted for life insurance purposes.

"There may be pessimists who still think that everything is going to the 'bow wows' but I do not know them," said the president. "I grant unreservedly that our future depends largely on the stabilization of the dollar but I am an optimist. We are facing the dawn of a new era of, I hope, great prosperity and in that prosperity the Sun Life Assurance Company of Canada and its policyholders should share in full."

Mr. Macaulay said:

"I move the adoption of this report with deep satisfaction. The statement covers the sixtieth year of the Company's activities, and is worthy of our Diamond Jubilee.

"New assurances paid for increased by $51,000,000 to a new high level of $705,000,000. The rapidity of our growth may be judged by the fact that this total is nearly seven times as great as the corresponding amount of but seven years ago. Equally impressive is it that after making all deductions for maturity or cancellation we added $462,000,000 to the assurances in force which now stand at $2,860,000,000. That in a year like 1930 we should be able to report such a huge volume of new business and such a remarkable persistency is eloquent testimony to the popularity of the Company, the confidence of its policyholders, and also to the zeal and ability of our great field organization. We are represented everywhere by men with whom I am proud to be associated, and to them I extend our thanks and hearty congratulations.

Earn 6.44% Interest

"The income advanced by nearly $14,000,000 to $186,000,000, and the assets now stand at over $588,000,000.

"The interest earned on the mean ledger assets was 6.44 per cent, while the net profit from sales and redemptions amounted to over $2,800,000.

"The mortality experience continues highly favourable. In 1929 the claims by death were but 59.4 per cent of those predicted by the mortality tables, while in 1930 they were even lower, being but 57.6 per cent of those expected.

"Ample provision has been made for outstanding claims. Our agencies encircle the globe, but the moment a claim occurs it is reported by cable and entered in our liabilities. A substantial sum is also set aside to cover cases not yet even heard of. We pride ourselves on our prompt and helpful service to policyholders, and a very large proportion of the claims entered as outstanding were already paid, although the accounts covering those payments had by reason of distance not yet been received at Head Office.

Higher Dividends Received

"It is unfortunately not necessary to emphasize that the year just closed has been one of severe depression, and that the market values of all securities have dropped to much less than even the lowest levels of 1929. No securities have escaped, not even the soundest and most seasoned. The Stock Exchange is but a vast auction mart, and in a time of depressed business, when everybody is short of cash, even the choicest securities may at times almost go begging. It is, of course, absurd that securities bought for permanent holding should have to be valued at the prices which may happen to be bid on any one day of the year, but such is still the rule. One cannot but wonder what would happen if all mortgages had to be put up to auction and valued block after block at the prices which might be bid on December 31st by a group of people who at the time happened to have but little money to invest. A mortgage may even be in arrear but it can still be carried at its face value. It is only in regard to stocks that the auction basis of valuation prevails. This unfair system has, however, done us one good turn, for it has accentuated the quality of the Company's holdings. Our earnings continue to grow, for even in this year of depression the dividends actually received on the shares of common stock owned by us were in 1930 nearly $1,000,000 in excess of the dividends on those same shares in 1929, and we are confident that dividends will continue to increase during the years to come.

In Excess of Cost

"Moreover, even by the abnormally low Stock Exchange prices of December 31st the market value of our total holding of common stocks was $8,500,545 in excess of cost. This showing is in itself a highly gratifying one, but, in addition, during the past few years the Company has received $32,109,000 as further profit from sales, rights and special dividends. On the other hand, the market values of our bonds and preferred stocks are slightly less than cost, and it will also be noted that in our liabilities we carry a large contingency reserve to provide for possible depreciation in mortgages and real estate. Apart entirely from the large profits which have been made, the present excess in the market value of our common stocks over cost is sufficient to cover all shrinkage in the market value of our bonds and preferred stocks, and an ample allowance for possible losses on mortgages.

"On our total investments we can say that we have not in many years lost even one dollar, for the profits have much more than offset the trifling losses. The only effect of the shrinkage in Stock Exchange values has been to reduce that portion of the excess of market values which we last year felt justified in bringing into our accounts. It does not mean that we have lost anything, for, as I have already said, we are in the happy position of being able to say that for many years we have not lost one dollar. How many other companies can make a similar statement? The reduction of nominal surplus is of but temporary and passing importance. If we were to take the prices prevailing even today, the valuation of our assets would already be raised by about $15,000,000. There has been no reduction in our real earnings, and it is a great pleasure to announce that profits on the generous scale of distribution in force last year will again be paid on all policies entitled to participate during the coming year.

Selling "Permanent" Holdings

"But though our investments have been subjected to a test of unparalleled severity, and have emerged triumphant, the experiences of the past eighteen months have been useful in other respects. Years ago, to avoid any suggestion of speculation we adopted the policy of permanent holding, protecting ourselves against reaction by building up huge margins of safety. We did not depart from this policy even in the summer of 1929 when the excess of market prices beyond those at which our stocks were listed in our assets had risen to a figure so huge that I will not even mention it. While the policy of permanent holding is absolutely sound in principle, circumstances may arise when it may be prudent even for permanent investors to modify it,—when, in fact, it may be wise to convert excess of market values into cash profit. In other words there may be a time to sell as well as a time to buy, and the time to buy is certainly when everything is deflated, money scarce, bidders few and prices low.

"In our outlook on the future, there is one fact which for our Company stands out in glowing letters. No one believes that the present state of business depression and low values will continue forever. We may disagree as to the length of time that will elapse before conditions again become normal, but that good times will come again no one doubts. And when good times do return, what will be the value then of the stocks now held by us at these rock-bottom figures? What possibilities does this feature hold for our policyholders?

Method of Valuation

"Investments in well selected common stocks of corporations of long established profit-earning power supplying some necessary commodity or service, if bought at the right time, have but one undesirable feature—their liability to fluctuations in market value, which could largely be overcome by an improved method of valuation. Bonds and preferred stocks are less open to this objection, and fortunately this is a favourable time for the purchase of those securities also, and it is the intention of your Directors to take this opportunity to increase our holdings in these other forms of investment.

"I think you will agree with me that the report is indeed a remarkable and highly gratifying one.

Reasons for Depression

"In closing I would make a few remarks regarding the depression now happily in its later stages. A reaction from the Stock Exchange boom was inevitable, and the depression of a year ago was unavoidable. General business, however, was normal, there was no inflation of commodity prices, little sign of overproduction, no excessive inventories or doubtful debts, and it was not unreasonable to hope that the reaction would be largely confined to the Stock Markets where it began. Notwithstanding these expectations we have had in 1930 one of the major depressions of history. When we search for the cause it is difficult not to conclude that this second reaction, at least in the degree of its severity, was entirely unnecessary, and could have been avoided. Its distinguishing feature has been the rapid and severe drop in prices, the average commodity price level being now 20 p.c. lower than a year ago. This reduction has been the chief cause of the trouble in 1930. A drop in prices is equivalent to a bonus to persons in receipt of fixed salaries or wages, but that bonus has come from the rest of the community—notably from the farmers and others who produce raw materials. This has reduced the purchasing power of the public, curtailing consumption and causing a reduction in activity and profits in all lines of business, with severe unemployment among even the wage-earning class.

Dollar Changes Value

"Could this condition have been prevented? Without going into technical details there is a fairly general agreement among economists that this drop in the average commodity price level has been caused by a change in the actual value of the dollar, which in turn depends on the amount of currency and currency credits outstanding. If too many legal tender notes were issued, prices would be raised disastrously, as happened in Germany. It is an astonishing fact that even when people in all the rest of the world were talking of the depreciation of the mark resulting from the progressive increase in German currency, not one person in a thousand in Germany itself realized that any change was taking place in the value of their currency. To them the mark was the mark, and unchangeable. They deplored the mounting prices, and attributed this phenomenon to every imaginable cause except the real one. Conversely if the amount of circulation be curtailed the opposite result follows and we can have a disastrous reduction in prices, and this is exactly what we are now suffering from. The curious fact is that, like the Germans, we think of our dollar as unalterable, and attribute the fall in commodity prices to many causes which at best are but minor and contributory. We fail to realize that the prime cause is the alteration in the value of the dollar itself.

Stabilizing Dollar

"It is admitted that in the United States the purchasing power of the dollar depends entirely on the amount of currency and currency credits which the Federal Reserve authorities may permit to be outstanding. Over-production or competition may affect the value of one commodity as compared with other commodities, but the average price of all commodities combined depends on the purchasing power of the dollar, and that can be controlled by the Reserve Banks and by them alone. Between 1922-29 the average commodity price level was kept fairly even by buying government bonds and paying for them in currency when those in authority wished to raise the price level, and by selling government bonds and taking payment in currency when they wished to lower it. This stabilizing of the value of the dollar was of inestimable value, and had it but been continued during the last two years, humanity would have been spared much needless suffering.

"It is difficult for our American friends fully to realize the vastness of the power, and consequently of the responsibility also, which their country now has in this connection. The United States controls such a large proportion of the gold of the world that other countries are comparatively helpless. The American dollar is in fact now the real basis for almost all currencies, and anything that alters its value affects the people of every continent for weal or woe.

Prospects Now Brighten

"But what of the future? Even in the absence of action which might be taken to stabilize the dollar, this depression, like all others, will slowly, painfully work its own cure, as is in fact now happening. That cure comes through the accumulation of the combined savings of the people of the Continent. These savings, deposited in the banks, give these institutions a steadily increasing amount of money which they are able to lend to brokers and others on call. Call loan money is now remarkably cheap in New York. Then comes the slow, steady absorption of stocks by small purchases. This has been going on quietly for a long time, and the numbers of shareholders in the great corporations have been mounting steadily week after week. Meanwhile brokers' loans which reached a peak of over $6,800,000,000 in the autumn of 1929 are now down to $1,716,000,000, and every week sees a further reduction. This means that stocks are passing more and more into the hands of people who do not need to borrow to pay for them. It also means that the great New York banks must look for other investments to replace those paid off, and they consequently have to buy more and more government bonds, which they can, if necessary, convert immediately into cash. This gradually makes an improved bond market, such as we have been seeing in the last few weeks. This in turn means that the great railway, utility and other corporations that need capital for extensions begin to realize that the time has arrived when they can finance their requirements through issues of bonds to the public.

More Borrowing Possible

"That is the stage at which we have now arrived. Every successful bond issue means more money made available for capital expenditures, the beginning of new work and the lessening of unemployment. It also usually means the repayment of money borrowed from banks for work already done, and this puts further sums in the hands of the banks for the purchase of high grade bonds. With every depression the improvement is first seen in the bond market, and that improvement is certainly now here. The great industrial corporations can as a rule now look forward to improving earnings. They have accumulated raw materials at low prices; the shelves of their customers are comparatively bare; neither they nor their customers have large inventories to liquidate, and with the gradual return of purchasing power their outlook is good. During all this depression the earnings of the lighting departments of the great electric companies have been remarkably well maintained, and the earnings of their power departments will increase as soon as business becomes more normal. The stock market generally discounts an improvement in earnings several months ahead, and I am inclined to believe that time will show that the low day of the stock market was on December 16th last. I do not suggest, and do not expect, that there will be anything spectacular in our recovery, but I am one of those who believe that you cannot keep this continent down. There may be pessimists who still think that everything is going to the bow wows, but I do not know them. I grant unreservedly that our future depends largely on the stabilization of the dollar, but I am an optimist. We are facing the dawn of a new era of, I hope, great prosperity, and in that prosperity the Sun Life Assurance Company of Canada and its policyholders should share to the full."

DAIRY CORP. EARNS $4.43 ON CLASS "A", OUTLOOK IS GOOD

Profits of 18 Months Applicable to 1930 on Stock $3 Per Share

Net profit of Dairy Corp. of Canada for the period from the commencement of business June 10, 1929, to the close of business December 31, 1930, was $112,755, after all operating expenses, interest, preferred dividends and taxes. This is equivalent to $4.43 on 25,414 Class "A" shares of common stock outstanding for this period, and it was estimated by J. A. Caulder, president, at the annual meeting that profits for the calendar year of 1930 amounted to $3 a share. This agrees with the estimate published in December by The Financial Post.

Total sales for 1930 amounted to $5,765,473. Mr. Caulder expects that this volume will be substantially exceeded during 1931 as several of the companies controlled by Dairy Corp. were not obtained until well on in 1930 and Canada Dairies was only acquired on the last day of the year.

Bank Loans is $406,031

At the end of 1930 current assets amounted to $1,241,189 and current liabilities to $848,397, leaving working capital of $392,792 which the management regards as sufficient for a large dairy company. The current assets include an amount of $440,000 receivable from bankers in connection with the proposed sale of $50,000 additional debentures of Dairy Corp. and the investment of $325,000 in Canada Dairies, Ltd. Accounts receivable stand at $218,852, and cash and bonds at $114,649. Inventories are shown at $464,865. There is also an item of $164,058 representing $132,633 on sales of refrigeration equipment not due within one year and $31,424 from sale of assets not due this year.

Current liabilities include bank loan and overdraft (secured) of $406,031 and accounts payable and accrued charges of $369,032.

Investments in other companies are shown at $586,569, fixed assets at $3,458,875, and there is an item of $1,672,194 shown as "excess of purchase price over book value of capital stocks of controlled companies at date of acquisition and goodwill."

Payable for Subsidiaries

There are still payable the following balances with reference to investments in subsidiary companies: $300,000, Montreal Dairy Co., payable $25,000 half-yearly from January, 1932, with interest at 5 per cent on unpaid balances; $187,953, Purity Ice Cream, Winnipeg, payable $50,000 half-yearly from March, 1931, with interest at 6 per cent; and $84,000, the Purity Dairy, Regina, payable in February and March, 1931, with interest at 6½ per cent.

Deferred liabilities of $1,848,592 include $1,773,000 for bonds, Winnipeg and Montreal, $70,000 for mortgages against Regina properties and $5,592 deferred payments on refrigeration equipment.

Consolidated Income and Surplus Account For Period from June 10, 1929, to Dec. 31, 1930

Earnings for year end. Dec. 31, 1930	$93,500
Less: Int. and discount on debs. ...	10,456
	$83,044
Credits to surplus	15,681
	$98,725
Preferred dividends	34,873
	$63,852
Add: Portion of divs. from sub. cos.	13,650
Surp. June 10, 1929 to Dec. 31, 1929	37,225
Less: Pref: div. Dairy Corp.	1,972
Surplus	$112,755
Working Capital	
Current assets†	$1,241,189
Current liabilities	848,397
	$392,792
Ratio	1.46—1

†Less prepaid items of $16,527.

Ship Fish by Air

The first aerial shipment of fish from Northern Saskatchewan reached Prince Albert the other day in the 'plane of a local transportation company; the shipment being 600 pounds of whitefish from Lake Laronge, about 200 miles north of Prince Albert. The fish were still lively upon arrival at destination.

REGENT·KNIT
"Sportswear"

35
CANADIAN
STOCKS

We have ready for distribution a 12-page Booklet that briefly analyzes the affairs of thirty-five of the leading Canadian companies whose shares are actively traded in on the Canadian Exchanges and in our opinion offer attractive possibilities at present price levels.

A copy will be mailed upon request.

Stewart, McNair & Co.
MEMBERS
Toronto Stock Exchange
New York Curb (Associate)
Toronto General Trusts Bldg.
TORONTO

Newfoundland Mills Setting New Record

From Our Own Correspondent

MONTREAL.—Average daily output of newsprint at the Cornerbrook mill of the Newfoundland International Power and Paper Co. for the week ending February 4 was 599.9 tons, the record output for one day of 628 tons exceeding any previous single day's production.

It is apparent that the Newfoundland mills are maintaining the record established last year, when the Island was the only territory in North America to record a higher production than in 1929. Virtually all of the production from the two mills on the Island is exported, domestic demand being an insignificant factor.

January Sales Of Canada Dry Keep Well Up

Canada Dry Ginger Ale, Inc., shows some recovery in January as compared with the preceding quarter. Though sales were 700 cases below January, 1930, this result is entirely attributable to slower business in the Southern States owing to tight credits and unseasonable weather.

Case sales in New York City in January were ahead of case sales for January, 1930, the first time for months that case sales have shown such an increase over the corresponding month in 1930. In the last quarter of 1930 earnings were equivalent to 40 cents a share on common stock which paid 75 cents a share in dividends. This compared with $1.47 a share for the same quarter in 1929.

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5% First Mortgage Sinking Fund Gold Bonds
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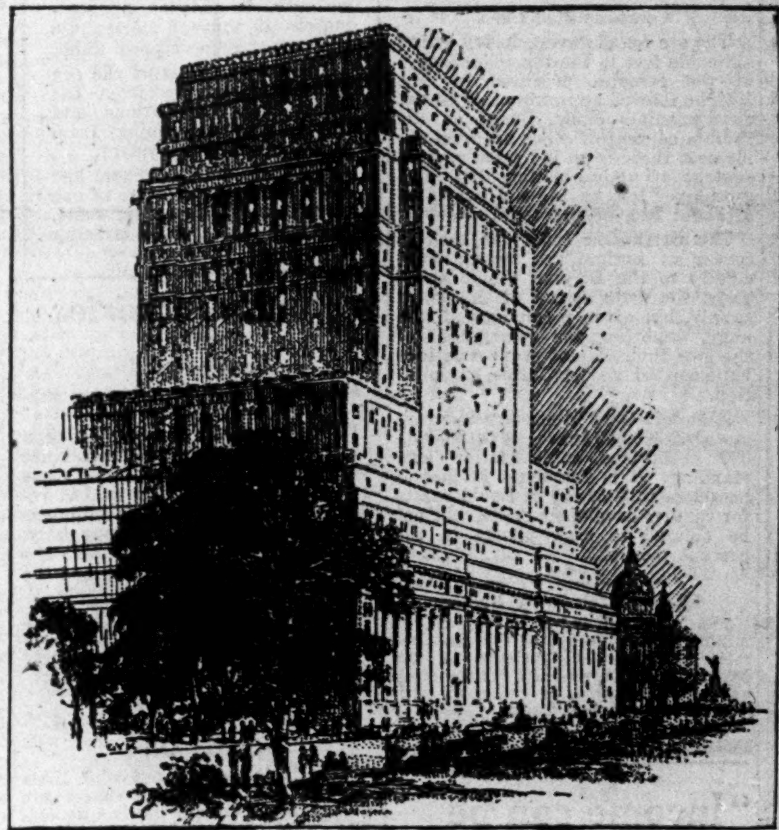
DIAMOND
JUBILEE
YEAR
1871-1931

SIX DECADES ASSURANCES IN FORCE		SIX DECADES ASSETS	
1880	*$3,907,000*	1880	*$473,000*
1890	*$16,759,000*	1890	*$2,473,000*
1900	*$57,980,000*	1900	*$10,486,000*
1910	*$143,549,000*	1910	*$38,164,000*
1920	*$486,641,000*	1920	*$114,839,000*
1930	*$2,863,701,000*	1930	*$588,733,000*


Head Office Building, Montreal

SIXTY YEARS OF PROGRESS
STATEMENT FOR 1930

New Assurances Paid for (net) - - - - - -	$705,678,000
Assurances in Force (net) - - - - - - -	$2,863,701,000
Total Income (net) - - - - - - - - -	$186,662,000
Payments to Policyholders and Beneficiaries in 1930	$81,274,000
" " " " " since organization	$500,949,000
Total Liabilities (including paid up Capital Stock)	$552,201,000
Surplus and Contingency Reserve - - -	$36,532,000
Assets, at December 31st, 1930 - - - - -	$588,733,000

NOTES FROM DIRECTORS' REPORT

In a year in which all classes of business have encountered many difficulties, the Company has made gratifying progress. New policies paid for show an increase of $51,227,652.32, both the ordinary and group departments making substantial gains.

Total assurances in force show an increase of $462,464,542.58. This gain represents a very high rate of persistency, indicating the high value placed by our policyholders on their contracts with the Company in a period of extreme financial pressure.

The number of policies and group assurance certificates outstanding passed the million mark during the year.

The total net income shows an increase of $13,804,544.54.

The total payments to policyholders and beneficiaries since organization : : : equal the total assurances in force in the Company's fiftieth year (ten years ago).

The mortality among our policyholders has been highly favourable.

The rate of interest earned on the mean invested assets was 6.44 per cent.

Profits paid to policyholders during the year amounted to $25,641,231.04.

In a year of almost unprecedented business depression the outstanding quality of the investments has been strikingly shown. The actual cash dividends received on the total common stocks held by the Company were $969,103.84 in excess of the dividends payable on those identical shares in 1929. : : : Even on the basis of the low prices at the close of the year our common stock holdings show a substantial excess of market value over cost.

Profits to policyholders entitled to participate during the ensuing year will be again allotted on the scale at present in operation.

The special Maturity Dividend is also continued on the basis announced last year.

SUN LIFE ASSURANCE
COMPANY OF CANADA

Canadian Mining News

ELDORADO RISES AS RUMORS TELL OF RADIUM FIND

Great Bear Lake is Scene of Company's Interest This Year

STOCK AT 40 CENTS

Doubling in Price is Result of Interest in Possibilities of Discovery Far to North

Shares of Eldorado Mines, traded on the curb section of the Standard Stock & Mining Exchange, have advanced from 20 cents per share, early in the present year, to a high of 42 cents per share and are currently selling at 40 cents per share, while the company's officials remain reticent.

Interest in the company centres around its find of pitchblende, an ore of radium, at Great Bear Lake last summer, which is now being reported on by the mines department at Ottawa.

Sought New Territory

The company has an interesting history, it being the outgrowth of the prospecting activities of the LaBine brothers, of Haileybury. The LaBines acquired the Eldorado group of claims just south of the Central Manitoba property, and through their own efforts raised $450,000 to develop this property. Interesting gold values were encountered in typical quartz veins in granite, but development proved these to pinch out at a depth of 500 ft.

Desiring to conserve the company's cash, officials promptly dropped the Manitoba operations and sought new territory.

Knowing of the finds of cobalt bloom in McTavish Bay, Great Bear Lake, reported on by Dr. J. Mackintosh Bell many years ago, it was decided to explore that area, which resulted in Gilbert LaBine making a copper find near Hunter Bay in 1929, and a pitchblende find, which is creating so much interest, last year. The pitchblende discovery is in Echo Bay at LaBine Point, about 35 miles southwest of Hunter Bay, approximately 815 miles by aeroplane north of the end of steel at Waterway, Alta.

Knight Visits Site

In July, 1930, Cyril W. Knight, consulting geologist, and president of the Cyril Knight Prospecting Co., visited the site of the find and wrote an article for the Canadian Mining Journal on the geological formation of the area. At the time of his visit two parallel veins, mostly quartz, varying from a few inches to five feet in width were in evidence for nearly a quarter of a mile on the surface.

The pitchblende occurs in small lenses in the quartz and associated with it are many minerals including cobalt, bloom, nickel bloom, native bismuth, nicolite, pyrite, chalcopyrite, quartz, calcite and other unidentified minerals. This group of minerals and their deposition in quartz veins is similar to the deposits of pitchblende in the mines at Joachimsthal, Bohemia, that was the source of supply for Madame Curie, the discovered of radium.

No work will be done at the property until next summer when it is hoped to determine the extent of the ore. Until further work is done and the results of the tests by the mines department at Ottawa are published, the commercial possibilities of the find are unknown, but the mere finding of the rare mineral, even near the Arctic circle, hundreds of miles from the railway, aroused a great deal of interest.

Company Has Cash

The ore found is very heavy, about six cubic feet to the ton. The assays of the samples procured by Mr. Knight showed approximately 53 per cent uranium oxide. Based on the radium content of other uranium oxide ores there is an indicated radium content of approximately 150 miligrams per ton, having a gross value of about $10,000 per ton.

The extraction costs for the recovery of radium are known principally to the Belgian Congo Company, the main source of the world supply, but given a commercial tonnage, doubtless the remoteness of the new find will not prove a serious handicap to its profitable exploitation.

Eldorado Gold Mines has approximately 2,600,000 shares of its $3,000,000 authorized capitalization outstanding. It is fortunate in that it has close to $250,000 in liquid assets for further development and will not be obliged to seek money in the present market.

Exchange is Essential To Mining Development

Canada's Future in Minerals Dependent in Some Degree on Share-trading Facilities Provided by Standard

A MINING exchange conducted along proper lines is necessary to the development of the mining industry in Canada. The mining industry has contributed to the growth of Canada and will contribute much in the future. So far as The Financial Post is able to discover, the Standard Stock & Mining Exchange, Toronto, now is conducted properly. It is under the control of a group which is endeavoring to treat the public fairly. It is trying to give the mining industry a chance to develop. Its rules are stringent and under constant scrutiny with a view to revision in the interest of the industry and the protection of the public.

Since 1918, gold production in Canada has grown from less than $15,000,000 to more than $43,000,000. The value of copper produced, less than $6,000,000 in 1921, was more than $38,000,000 in 1930. Lead in 1911 was worth $800,000; in 1930, it was $13,000,000 despite low prices. Nickel in 1911 was worth $10,000,000; in 1930, it was valued at $24,500,000. Silver alone of the important metals has been declining from the peak of $21,000,000 achieved in 1918.

Staking a prospect is not all that is necessary to the making of a good mine even when the surface showings can be substantiated by development. The Financial Post believes that the early stages of development of a prospect should be financed privately. Later, if reliable reports and assays justify, there may be public financing.

* * *

PUBLIC financing implies the existence of a market where can be traded the shares once they are sold. In Canada since 1908, the principal market for mining shares has been the Standard Stock & Mining Exchange, Toronto. In fact, for a number of years, the Standard Exchange has been the principal mining exchange of the continent.

This exchange fell on evil days when it came under the dominance of brokers who have since been convicted of serious crimes. But, as has been stated previously, there evidently has been a thorough housecleaning, under governmental auspices and otherwise, with the result that the exchange now is in position to function in the interests of the public and the industry

Wide distribution of shares in mining companies which are honestly managed, necessitates the existence of an exchange where these shares can be traded. The Standard exchange is one which has had long experience in dealing in this class of investment, or speculation, and now, purged of its sinister element, is in better position than ever before to perform a public service which is necessary if mining is to go on.

* * *

MINING must go on. The North country probably includes other mining areas as good as Rouyn, Kirkland Lake, Porcupine. If there could not be public participation in mining development, that phase of our national growth would be confined to private enterprise, with all the limitations that that implies. The existence of well-conducted mining exchanges will enable the public to share in the hazards and the rewards. The public normally is ready to accept hazards when it can be assured of equitable treatment by those on the inside. The Standard exchange, backed by strengthened laws, has rehabilitated its constitution and bylaws. The old crowd is gone. There is every evidence that the new group is a better group and one which endeavors to see that the investor in mines has a chance to profit.

Mining Stock Index Higher

The weighted index number of 17 mining stocks computed by the Dominion Bureau of Statistics on the bas of 1926=100 was 72.7 for the week ending February 5, as compared with 72.4 for the previous week.

Flin Flon Smelter Handling 3,000 Tons

The latest reports from the Hudson Bay Mining & Smelting operations at Flin Flon says the smelter is now treating 3,000 tons of ore daily and is producing approximately 50 tons of blister copper daily which are being shipped to the refinery. In addition, approximately 40 tons of electrolytic zinc are being shipped daily.

About two thirds of the ore treated is coming from the "glory hole" operations and the balance is coming from underground development.

While no official report has been made on the grade of ore treated or on operating costs, it is said that a profit is being shown.

Mining Inquiries

Siscoe Gold

May I have your advice on the purchase of Siscoe Gold as a speculation?

Siscoe Gold Mines Ltd. has been making satisfactory progress since starting operations about three years ago. It is a small property, but recently the capacity of the mill was increased from 100 to 150 tons daily, and further money was put into the enterprise by N. A. Timmins and the Lindsley interests.

Siscoe offers certain attractions, but until greater progress has been made, investment in the property must be regarded as a speculation.

Dixie Oil

What is the capitalization of Dixie Oil Co. and how many shares are issued? Are there any bonds outstanding? What progress has the company made?

Can you give me any information as to South Eastern Oils Ltd.?

Dixie Oil Co. was incorporated in 1927 with a Dominion charter, and has a capitalization of 600,000 shares of no par value of which 250,000 shares were issued for the property. We have been unable to learn the exact number of shares outstanding at the present time. According to last information there was no bonded indebtedness. The company formerly held 240 acres in the vicinity of Turner Valley, but no work as far as we are aware has been done to date.

The South Eastern Oils Syndicate was taken over by the South Eastern Oils Ltd. on a basis of 1,000 shares in the company for each syndicate unit. The capitalization of the incorporated company is 1,000,000 shares of no par value. The syndicate owned leases on 520 acres about three and a half miles off the proven Turner Valley structure in Alberta.

Rubec Mines

I should like some information as to Rubec Mines Ltd. of which I hold some shares.

According to the last information we had on this company, it was still inactive. It held options on a number of properties in Quebec where preliminary development was carried out, principally on the property in Rouyn. No ore of commercial importance was found. We understand the company is without funds or assurance of obtaining any.

Locarno Copper

I hold 100 shares of Locarno Copper Mines Ltd. and would like to know if these shares have any value. Is the company likely to improve its position in the future?

Locarno Copper Mines Ltd., was incorporated in 1927 to develop some copper prospects in Quebec, but with the exception of one small block all this property has been relinquished. The company's principal property now is a gold prospect in Nova Scotia.

The last report we had was in September when a small stamp mill was reported to be in the process of erection to treat the ore on the dump of an old working. A sample ton of ore sent to the Nova Scotia Technical College for assay gave an amalgam recovery of $30 per ton in gold, according to the company's report. Shares at the present time have no value; at least, we know of no market for them.

Alliance Mining

What is the Alliance Mining & Securities Ltd. of Ottawa? What companies were merged to form this company and what are its holdings?

The Alliance Mining & Securities Ltd., was incorporated last year under Dominion charter, having a capitalization of 3,000,000 shares of no par value. It was organized to take over the assets and property of the Duprat Mines, Corona Mines, Boischatel Mines, Marriott Mines, and Mormac Development Company. In accquiring these various properties, 756,100 shares were issued to former Duprat Mines' shareholders; 500,000 shares to former Corona Mines' shareholders; 76,768 shares to former Boischatel Mines' shareholders; 140,000 to former Marriott Mines' shareholders and 30,000 to former Mormac Development Co. shareholders.

Any cash that these former companies had went into the treasury of Alliance. Under the terms of the agreement that 75 per cent is to be invested in dividend paying securities, proceeds from which are to be used for developing the various properties merged.

Hecla Consolidated

I bought 1,000 shares of Stadanac Mines in 1927 at 30 cents a share. Later the company was merged with Hecla Consolidated Mining Co. Has my stock any value? Is Hecla Consolidated active?

Hecla Consolidated Mines, according to last report, was inactive. In fact, only a very limited amount of exploration work had been done on its property. Our understanding is that the company was largely financed by English interests, but there has not been sufficient work done on the company's property to reach any conclusive opinion as to its value. There is no market for the stock at the present time, and we cannot see that the company has any future of importance. Since there is no market for the stock, the only thing you can do is to hold it and hope for the best.

KIRK LAKE GOLD REPORT TO SHOW GOOD PROGRESS

Grade Increases from $6.87 in First Quarter to $12.50 in Last

IS DOWN 4,450 FEET

Ore on Lower Levels Found in Porphyry and is Less Regular Than Upper Horizons

While the annual report of the Kirkland Lake Gold Mining Co. will not be available until about the middle of March, The Financial Post can say that it will show the greatest progress yet reported in the company's history.

As an example of the progress made, the quarterly recovery figures best tell of what has been happening.

The first quarter of 1930 had an average recovery of $6.87 per ton. In the second quarter it had increased to $11.45 per ton and in the last quarter it was approximately $12.50 per ton.

For the entire year the recovery was $533,843 from approximately 53,000 tons of ore treated, or an average of about $10 per ton. The recovery in January was $47,717 from 3,826 tons of ore treated or an average of $12.45 per ton.

The January recovery was down somewhat on account of a power interruption, also mill suspension, due to repairs.

Ore is Good Grade

Of the ore that has been treated during recent months only a portion has come from the lower and richer levels probably two thirds coming from the upper levels, which indicates the grade of ore encountered on these new low levels.

Now Down 4,450 Feet

Not only was the recovery in 1930 the greatest in the history of the property, but the operating profit for the year, despite the extent of the development done, was the greatest the company has enjoyed.

At the present time the main winze is being deepened from the 4,300 ft. level, the lowest that has seen development, to explore the horizon 500 ft. below. This sinking programme has now reached a depth of 4,450 ft. where a station is being cut, but it is planned that no development will be undertaken until the new low objective is reached.

The improved geological conditions were first manifested about the 3,600 ft. level, and have continued down to the present workings. What is probably the best ore body encountered is the one west of the diabase dyke on the 3,875 ft. level, a large part of which averages $50 ore. Good ore has been cut on the 4,300 ft. level but this level has received little development. On the 3,875 ft. level a drill hole westward toward the Macassa boundary, encountered a high grade showing, which when explored by a drift to the area, proved to be a narrow high-grade spot of but little consequence. Drifting was carried on westward to about 300 ft. of the west boundary, but no encouragement was met with.

Widths Vary at Depth

On the upper levels the best values were close to the main break across the camp, which greatly facilitated exploration work. On the lower horizons now under development the ore system is in shoots off the main break and, in addition, some of the new ore bodies have been found to run parallel to the main break which complicates the exploration and adds to the expense. The widths vary considerably at depth while at the upper levels the ore was found mostly in narrow veins.

The new developments at depths are yielding some interesting information on the geology of the area. Recently the encountering of conglomerates below the lamprophyre intrusion and the more massive porphyry formation is seen as encouraging, as the ore found on the lower levels is mostly in the porphyry.

Dome Mines New Ore About Average Grade

Dome's new ore body, first exclusively reported in the January 29 issue of The Financial Post, is a development which has taken place over several months.

The information regarding the new ore came to The Financial Post from an executive and there need be no doubt regarding its great length, and importance. The grade appears to be about the normal average for Dome—being higher grade than the ore developed in the greenstones.

Howey Gold Grade Better in January

Gold production for January by Howey Gold Mines was $67,000 from 13,400 tons of ore treated, equivalent to an average recovery of $5 per ton, as compared with $4.90 per ton recovery in December.

The total recovery since commencement of operations in April last is $528,362 from 123,842 tons of ore treated or an average recovery of $4.27 per ton.

On January 20, as per the agreement with W. S. Cherry, president, an additional $15,000 was repaid on the advances made by him, bringing the total repayments to $40,000, with interest.

Adds to Ore Reserves

At the present time there is about 100,000 tons of broken ore in the stopes, the cost of which has been charged to development and mining operations since the commencement of the milling programme. In December, a total of 18,000 tons of ore were broken, while 14,410 were treated in the mill, which indicates that the broken ore reserves are gradually being added to.

Operating costs for January are not yet available, but in December although there were some heavy charges made against operating expense, there was still a profit after meeting all costs including all interest charges.

HAZELTON PORCUPINE GETS N.Y. BACKING

Say Development Will Begin Soon as Result of Option

Arrangements have been made whereby a group of New York financiers headed by Robert H. von Stein, will provide the Hazelton Porcupine Gold Mines with funds for its proposed development programme.

Under the terms of the agreement Mr. von Stein, who was one of the original shareholders and first secretary-treasurer of the McIntyre-Porcupine Mines, options 400,000 treasury shares at an average price of 28¾ cents per share.

Application for listing 250,000 shares on the New York Mining Exchange has been approved and the shares are to be called for trading in a few days. The Security Registrar & Transfer Co., New York, have been appointed as registrars & transfer agents in the United States and the Imperial Trusts Co. of Canada, in Canada.

The company is capitalized at $2,000,000 in $1 par value shares, of which 1,053,000 shares are outstanding. Its properties consist of 680 acres in Denton township, 17 miles southwest of Timmins, Ont., where 2,060 ft. of diamond drilling has been done, and on which it is planned to do at least an additional 3,000 ft. of drilling before shaft sinking and underground work is undertaken.

Home Oil Production is Lower in January

Production by Home Oil Co. wells for January totalled 11,333 barrels of crude naphtha and 769 barrels of crude oil, valued at $36,500 according to a statement by the company's secretary. This compares with a production of 11,741 barrels of crude naphtha and 1,352 barrels of crude oil in December.

Naphtha production has been from wells Nos. 1, 2, 3 and 4, while No. 6 well has been the principal crude oil producer.

In July, 1929, the company inaugurated a dividend distribution at the rate of 20 cents per share. After five distributions, the last at 25 cents per share on April 12, 1930, dividends were suspended, as it was evident that the value of production was not in accordance with dividend policy.

International Nickel Meeting on March 31

Shareholders of International Nickel Co. have received notice of an annual meeting of the company to be held in Toronto on March 31.

March 2 has been fixed by the directors as the record date for the determination of shareholders entitled to notice of and to vote at the meeting. The annual report for 1930 is now in process of preparation and is expected to be available to shareholders about the end of this month.

Metal Prices

New York—February 10—
Copper: Electrolytic spot, 10c. lb.
London—February 10—
(Long ton)—
Copper: Electrolytic spot, £47 15s; future, £48.
Standard spot, £45 17s 6d; future, £45 2s 6d.
Tin: Spot, £116 15s; future, £117 12s 6d.
Lead: Spot, £13 10s; future, £13 12s 6d.
Zinc: Spot, £12 5s; future, £12 15s.
Silver: 12-5/16d per ounce.

Perch Catch Valuable

Canada's catch of perch has an annual marketed value of over $600,000. In 1929, for example, the catch of perch totalled 6,705,000 pounds and sold for $616,722.

ALEXANDRIA GOLD ADDS EQUIPMENT FOR DEEPER WORK

Shaft Being Sunk Below Main Tunnel to Explore Ore Shoots at Depth

Alexandria Gold Mines, developing a gold property on Alice Arm, about 120 miles north of Vancouver, has added more equipment and is now undertaking deeper development work, according to an official statement.

A shaft, is now being sunk below the main tunnel level to develop the first ore-shoot of a series, having a continuous length of over 300 ft. and approximating $12 per ton. On the 100 ft. level, the first level below the main tunnel, the vein has been drifted on westward for a distance of 125 ft. and the values have been found to increase approximately 25 per cent and the widths likewise.

With the completion of the equipment installation, shaft sinking has been now re-started and at a distance of 25 ft. below the 100 ft. level a new ore-shoot heretofore unknown has been cut in the shaft, giving an average assay of $26.30 in gold and 3.28 ounces silver per ton, with the width still undetermined.

Contracts have been let for 500 ft. of shaft sinking, to be supplemented by lateral work as the necessary depth is gained.

Plans have been made and negotiations entered into toward mill construction which is contemplated later this year.

BANNOCKBURN DRILL GETS $10.68 AVERAGE

Eight Holes Trace Vein Distance of 525 Ft. With Four Ft. Widths

Official figures by the Mining Corp. of Canada as the result of diamond drilling operations on the Ashley vein in Bannockburn township indicate, as far as drilling has been done, a vein 525 ft. in length with average values of $10.68 per ton in gold over a width of four ft.

Eight holes were drilled to depths varying from 85 to 275 ft. indicating a vein having good continuity in strike and dip and varying from three to eight ft. in width.

The most northerly hole was located north of the porphyry dyke where the vein had not been explored on the surface owing to the impossibility of trenching. The most southerly hole was located 100 ft. south of the most southerly surface showing.

San Antonio Meeting To Discuss Ways Out

It is planned to call a meeting of shareholders of San Antonio Mines the latter part of this month to discuss the future financial policy of the company.

At the time operations were suspended last August, practically all of the 4,000,000 authorized shares were outstanding, and there remained about $8,000 in the treasury. Various reports have been circulated regarding refinancing but until shareholders meet and approval is given no agreements can be consummated.

Moss Mines Shareholders to Meet on February 23

An official report has been forwarded shareholders of Moss Mines, calling a meeting for February 23, at which shareholders will be asked to ratify a change in the name of the company to Moss Gold Mines Ltd.

Norman R. Fisher, president, says an agreement has been entered into with strong interest which permits of an enlarged programme of development work at the property and also gives every assurance of the installation of the proposed initial mill unit of 100 tons capacity.

St. Georges Coal Fields Gives Option to Inter. Paper

The annual meeting of the St. Georges Coal Fields, of St. Johns, Newfoundland, was held February 2, at which time it was announced that the option to the company's property was held by the International Power & Paper Co. until May 31, 1931. After that date a further statement is to be sent to shareholders.

The meeting was of a routine nature and directors for the ensuing year were elected as follows: T. J. Freeman, president; P. J. Berrigan, sec.-treas.; George Snow, P. J. O'Reilly, J. H. Dee and William Campbell.

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The shares are listed on the Standard Stock Exchange and around current quotations we believe offer attractive speculative possibilities.
A special circular dealing with the affairs of this Company has been prepared and will be forwarded upon request.
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WEST FINDS CASH TO PAY INTEREST PRINCIPAL ALSO

Mortgage Men See Conditions Better Than Some Expected

REDUCE PRINCIPAL

Present Situation is Better Than That of 1921, Says One Executive—No Trek to U. S. Now

Some of the principal trust and loan companies which have substantial sums loaned on farms in the Prairie Provinces are reporting much more satisfactory experiences in collections than probably would have been expected by the shareholders and the public generally from reading of adverse conditions in the Canadian West.

At the annual meeting of Canada Permanent Mortgage Corp., one of the largest of these institutions, George H. Smith, second vice-president and general manager, said that the management had "not been so much surprised at the reduction in our receipts of interest and principal as with the large numbers of our borrowers who have been able to meet their obligations and at the aggregate amount so received."

Will be Paid Eventually

Mr. Smith added that in all but a limited number of cases, "the corporation need have little concern as to their deferred obligations being overtaken in future." Payments on Canada Permanent mortgage loans in 1930 were in excess of $9,000,000, of which more than $5,000,000 was on account of principal. Of this latter sum, more than $1,500,000 was paid in reduction of principal of mortgages owned by the corporation in the Prairie Provinces.

Canada Permanent's proportionate and aggregate holdings of farm mortgages has been declining for some years, Mr. Smith remarked. Principal is gradually reduced and the fact that there has been little expansion of farming operations since 1920 has been gradually reduced through payments on principal. Loans on urban properties, it was added, are in a satisfactory condition in the West as well as the East.

Heavier Burdens in 1921

Mr. Smith made a comparison of today's unfortunate conditions in the West and those existing during the depression of 1921.

"It may not be out of place, to point out," he said, "that very serious reductions in grain quotations took place during the severe depression which prevailed more or less from 1921 to 1924, and when the farmers were much more heavily burdened with obligations of various kinds, and, therefore, less favorably situated to recover from the disastrous effects of the poor returns from their crops. From that depression we emerged into the period of extraordinary prosperity which continued in an increasing ratio till 1929."

Many Debts Paid

W. G. Watson, general manager of Toronto General Trusts Corp., which has invested heavily in Western farm mortgage, reports a similar experience as to collections in 1930. At the annual meeting last week Mr. Watson declared that despite unfavorable conditions "a large number of farmers in Western Canada have already met their mortgage interest payments in full and others will do within the next six months from grain that still remains unsold, some of which is not yet threshed, or from the sale of cattle, hogs, poultry, milk or other products of the farm."

Mr. Watson continued in part:

"I mention this for the reason that no doubt because of the major depression that obtains among the Western farming community which, in the main, is due to the low price of grain, a false impression seems to have got abroad to the effect that the agriculturist in the West, as a whole is unable to meet his financial obligations. In this connection it may be of interest to you to know that in our own case already over 40 per cent of our Western farm mortgagors have met their interest payments in full and many more have made substantial payments on account and this process of liquidation, as I have suggested will no doubt continue in a measure from month to month."

Referring to the savings department, a comparatively new activity for the corporation, Mr. Watson pointed out that it showed "a substantial increase of $2,006,791 for the year, which gives us a total of $4,132,451 on deposit at Head Office and our several branches. Not only our clients in other departments but also the public in large numbers are finding this branch of our business a convenient and remunerative depository for savings."

W. E. Rundle, vice-president and general manager of National Trust Co., was not so definite as to collections in the Canadian West, but expressed his confidence in the future. He pointed out that his company had made loans to the amount of an average of $10.85 per acre in Manitoba, $7.10 in Saskatchewan and $9.53 in Alberta. In addition, a substantial reserve against losses has been built up over a term of years and the shareholders were told that the balance-sheet valuation of foreclosed properties, $212,180, is substantially less than the amount of claims against these properties and less, he believes, than the properties can be sold for.

No Trek to U. S. Now

With regard to general conditions in the West, Mr. Rundle said:

"There is a difference of some significance between the present depression and the one following the war which might be worth mentioning. At that time there was an inclination for farmers in the Canadian West who found themselves in difficulty to cross the line to the south. At the present time difficulties in the United States are such that there is no inducement to do that, and it may be no small aid to us in Canada in facing our own troubles and overcoming them to know that others are no better off than ourselves."

Urban Loans Well Met

A number of other important loan and trust companies are yet to hold their annual meetings, at which comment regarding Western conditions is likely to be made for the benefit of shareholders. Insurance companies also are large lenders in the West. The foregoing experience and comment, however, may be considered as representative of the experience of companies which have interests throughout the West.

One of the smaller companies, which is almost wholly dependent on the West for its prosperity, Home Investment & Savings, Winnipeg, reported earnings down only eight tenths of 1 per cent from the previous year. In the statement accompanying the balance sheet, M. F. Christie, president, said that "payments of both principal and interest on city and town properties have been well met," but that farm collections had been adversely affected. Home Investment has $1,503,836 invested in mortgages.

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Canada's Interest In World Problems

A Discussion of World Affairs and How They Now Touch Canada's Problems

By GRANT BROWN, of H. G. Stanton & Co., Toronto

Editor's Note—Business recovery in Canada will be substantially influenced by conditions in other parts of the world. The Financial Post is publishing a series of five articles on world affairs in relation to Canadian recovery. They have been written by an economic student with an historical background, Grant Brown, formerly of the staff of the University of Toronto, now a partner of H. G. Stanton & Company, members, Toronto Stock Exchange, Toronto.

The purpose of this series on "Canada and the Outside World," is to call attention to the intimate connection of trade and industry in Canada with the outside world and to examine certain aspects of foreign affairs in relation to our industrial recovery. This article concludes the series.

ARTICLE FIVE: THE GOLD PROBLEM

Few economic questions are receiving more attention nowadays either from economists or from the business world than the gold question. "When rogues fall out, honest men come by their own," the proverb runs. Unfortunately we have no such traditional authority to warrant us in expecting that when economists disagree, laymen will have their opportunity; and as to gold and its influence on the present situation, the sharp differences of opinion of experts add considerably to the difficulties of the subject. However it may be possible to consider some of the ways in which the gold problem affects Canada and the outside world without becoming too deeply involved in the complexities of the topic. For Canada, of course, the question has a double interest in view of the rapid increase in the domestic production of gold.

Gold Has Risen in Price

One school of economic thought—and many of the English economists support this view—sees in the scarcity of gold and in the maldistribution of the existing supply of monetary gold, one of the principal causes of the world-wide depression. Lord D'Abernon, for instance, claims that the crisis was falsely diagnosed. "It has been treated solely as a trade crisis, when it should be considered rather as a crisis of currency in the first place and a crisis of indebtedness in the second, the one complicating the other." "What has happened is not so much that this or that commodity has fallen in price as that gold has risen." "The gold standard of the world has become unstable."

This school agrees that shrinkage in gold production in the last few years, together with the absorption of an undue proportion of the available supply by the United States and France (who, between them, now hold nearly 60 per cent of the world's monetary gold) brought about a sharp fall in prices the world over, with disastrous effects on industry. "When there is a fall of prices over a wide range of commodities and the statistical position of each does not reveal any exceptional increase in production, then the cause must be looked for in the monetary situation." (E. M. H. Lloyd in the New Republic). And the result, it is argued, has been general demoralization of trade and industry.

Evil Effects Are Not Equally Distributed

In other words the contention is simply this: Since gold is our measure of value (i.e., prices with us are simply what the articles will bring in terms of gold), as the supply of gold diminishes—whether through underproduction or hoarding—the demand for it increases, and its price rises, i.e., other things, measured in terms of gold, fall in price (as it becomes necessary to give more wheat or copper or silver to obtain this rare gold). Unfortunately, as Mr. Lloyd points out, the fall in prices is by no means simultaneous and proportionate. For instance, manufacturing is prejudicially affected because prices of the finished products fall long before costs can be reduced (wages, transportation charges, etc., are slow to fall and interest, rent and taxes still slower—if they fall at all). Accordingly, as profits disappear, factory after factory closes down; unemployment rises and purchasing power shrinks. The effects are cumulative. Demand dwindles until there seems to be general over-production. Industry and trade the world over suffer from what is essentially a breakdown in the mechanism of exchange.

National "Hoarding" Complicates Problem

That breakdown has been greatly aggravated, it is also claimed, by the accumulation of unnecessarily large reserves by certain nations, especially by the United States and by France, where, through deliberate policy in the one case and an inelastic banking system in the other, the excessive stores of gold have not been allowed to play their proper rôle in facilitating the world's work.

Many English economists also point out that this policy of hoarding and "sterilizing" gold has added greatly to the load—heavy enough to begin with—of war debts and reparations. The Young Plan was expected to lighten Germany's burden, but already the fall in prices, i.e., the rise in gold, has augmented it. The same process has considerably increased the weight of England's debt to the United States. It now takes far more in the shape of commodities to obtain the annual payment of some $160,000,000 than it did when Mr. Baldwin made the original agreement. These economists maintain further that a revision of war debts would be an important—it may be an essential—contribution to general recovery; and that the United States, from sheer self-interest if for no other reason, would do well to lighten, if not to cancel outright, the payments owing to her.

Some Economists Are in Disagreement

Several of these contentions meet vigorous opposition especially from certain American bankers and economists—not to mention Senators and Congressmen. Albert H. Wiggin, head of the largest bank in the world, is quoted as saying: "There is enough gold in the world to do the legitimate business of the world at comfortable rates of interest." Dr. Benjamin Anderson, economist of the same bank, denies the charge that the United States is absorbing an undue part of the world's gold. In fact, he ventures to doubt whether American gold holdings even now are large enough to finance industry comfortably when industrial recovery gets well under way. Paul M. Warburg is skeptical as to the part attributed to scarcity of gold in bringing about the recent fall in prices of commodities, and he denies the charge that the United States has pursued a policy of gold sterilization. George Soule, in the New Republic, attacked the arguments of E. M. H. Lloyd as to the part played by a scarcity of gold in bringing on the current depression. Mr. Soule argues that far too much potency has been attributed to the scarcity of gold in the present case; he points out specific instances of overproduction (e.g. coffee) which account sufficiently for the fall of prices in particular cases; and, while he is willing to admit that shortage of gold may have hampered production and profits in Great Britain, he suggests a complexity of causes for the depression in which gold plays only a minor part.

New York Leads Talk of War Debt Revision

As to the need of revising the agreements in regard to war debts and reparations, New York seems easier to convince than Washington. Leading New York bankers have recently expressed opinions to the effect that war debts and reparations have played and still play a large part in the depression. For example, in January Mr. Wiggin, chairman of the Chase National Bank, was reported as declaring himself firmly convinced that it would be good business for the United States to initiate reduction of war debts at the present time. But there was no answering echo from Washington. In fact we are not without hints that official Washington is strongly opposed to cancellation; and even if the White House were convinced of the advantages of such a policy, the task of winning over the Senate and the House of Representatives would seem almost hopeless.

Fall in Prices Discourages Production

These are contentious topics. Some aspects of the gold problem, however, are less controversial. As to the general effects of a shortage of gold—apart from its rôle in this particular crisis—there is a large measure of agreement. The great English statistician, Sir Robert Giffen, treated this topic admirably in a series of essays dating as far back as 1879 to 1885, a period when the world was confronted by the same problem of declining gold production. Some of his conclusions are worth repeating: "The supply of new gold from the mines is important."..."Population and production are constantly being increased, and the gold used for reserves and small change must be increased in proportion. Otherwise the effect of contraction is produced."..."The market can only get adjusted to the contraction by a fall of prices and nominal values such as have taken place in the last few years." (i.e., before 1886), and he mentions some of the effects of a rapid fall of prices in discouraging enterprise, lessening production, multiplying insolvencies, and producing a "paralyzing despondency."

Prospect of Real Shortage of Gold

Again most of the authorities concur in anticipating a period of growing scarcity of gold in the next few years. As to this contingency and possible reactions and remedies, an interim report issued by a committee appointed by the League of Nations is particularly illuminating. In the first place, as to production, it is shown that of the present annual output of a little more than four hundred million dollars in value, more than half comes from South Africa, where production is expected to decline with increasing rapidity from 1934 on. The United States and Canada come next in the list of producers, each credited with approximately a tenth of the total. Australia follows with less than three per cent, then India with less than two, and so on. Of these Canada alone seems likely to increase her output in the next few years; and it is improbable that the increase here will even begin to compensate for the South African decline. Accordingly, the report counts on a period of shrinking production. At the same time it is pointed out that the normal rate of growth of production and trade in gold-using countries in the latter half of the nineteenth century and the early years of the twentieth was about three per cent a year. If a similar rate of growth or anything like it can be counted on in the future, a corresponding increase in the amount of gold available for monetary purposes would be required to avert a continuous decline in prices. Hence "the evidence points, in our opinion, conclusively to the prospect of a serious situation arising as soon as, or shortly after business activity revives, unless steps to alleviate it are taken in time."

Not Unmixed Evil For Canada

Possible remedies are suggested. Here the report is a little more reassuring. "We wish, therefore, at once to record our opinion that, if the need is recognized, remedial measures can be found which may be expected, for at any rate the next decade, to correct the consequences we fear." The remedies suggested consist of various expedients for the more effective use of available supplies. Further concentration of gold in central banks, changes in the laws regulating reserves, extension of the use of cheques, and international co-operation in various ways to economize the use of gold, are among the devices mentioned. The chief danger, then, appears to be some years distant; and there is always the possibility that new gold-fields or cheaper processes which will render available low-grade ore, may further postpone the dangerous era.

For Canada the prospect of a growing scarcity of gold is not an unmixed evil. It means at least that her fast developing gold-mining industry is assured of favorable conditions, with costs declining, if prices fall, and output always in demand. Production at some $43,000,000 already is four years ahead of the forecast in the League report; and it may be hoped that the estimate for later years will be similarly exceeded.

CONCLUDING NOTE TO SERIES

This series was designed to call attention to certain external factors which seemingly affect the outlook for Canadian industry. Canada herself has suffered less than most from the general depression; and she should be in excellent condition for recovery. For complete revival, however, a larger measure of industrial health for her principal customers seems essential. Of the external influences considered, the unemployment situation in Great Britain, the political unrest in Germany and the menace of unfair competition from Soviet Russia seem to be the darker clouds on the horizon, while the growing tendency to international co-operation both in politics and in finance, the prospects of industrial revival in the United States and the outlook for gold mining in Canada appear to be brighter spots on the landscape.

MOOT EARLY MOVE IN REORGANIZATION OF RAILWAY BOARD

Government Has Good Chance to Raise Efficiency of Rate Body

From Our Own Correspondent

OTTAWA.—Early reorganization of the Board of Railway Commissioners is forecast in government circles.

The reorganization has been made possible by the resignation of two members of the present board of six, and by the impending retirement of a third commissioner. The commission has steadily waned in prestige in the past six years, and the need for reorganization by the appointment of men of outstanding ability who will command the respect of all classes and sections of the country has been commonly conceded.

Until a few weeks ago, the prospect of a reorganization of the commission seemed exceedingly remote. But there have been rapid and unexpected developments. Hon. H. A. McKeown, chief commissioner, has voluntarily retired, and will leave the board at the end of the present month. Hon. Thomas Vien, deputy chairman, retired, also voluntarily, to resume law practice at Montreal. Coupled with these two important vacancies, the ten-year term of Calvin Lawrence will expire on November 9, next, and there is no reason to expect that he will be reappointed. This gives the government three vacancies to fill on a board of six members—two immediate vacancies and the third to come within the year. As the vacancies include the chairman of the commission, who is necessarily the most influential member, and the deputy chairman, the greatest significance attaches to the new appointments.

May Name McLean

At the moment the name of Dr. Simon J. McLean, assistant chief commissioner, is connected with the chairmanship. Dr. McLean is the outstanding authority on Canadian railways and freight rates. He has written most of the books which are accepted as authoritative and has un unrivalled experience in dealing with freight rates. Dr. McLean was a professor at Toronto University 30 years ago. When the Laurier government envisaged state control of freight rates by way of a commission instead of a cabinet committee, McLean was chosen to make an investigation. His report was the basis of the Railway Commission clauses of the Railway act and he was appointed one of the first commissioners. He was not made chairman of the board because the statute declared that no one should be chairman who was not a lawyer. McLean did not possess the legal qualifications. By studying law in his spare time he repaired this deficiency and it was commonly supposed that he would be appointed chairman in 1924 when the death of Hon. Frank Carvell created a vacancy. The King administration, however, handed the post to Mr. McKeown, a superior court judge from New Brunswick.

Other recent appointments were not calculated to enhance the prestige of the board. One section of Canada after another has expressed lack of confidence in its capacity to deal with freight rate matters.

It is well known that both railway companies strongly endorse Dr. McLean for the position of chairman, and, it is no less true, that his appointment would not be criticised by any section of the community.

In addition to Dr. McLean, the other active members of the present commission are Hon. T. C. Norris, former premier of Manitoba, and Hon. J. A. Stoneman, some time leader of the farmers movement in Saskatchewan. Mr. Norris has many years of public service behind him, understands the problems of his province, and has proved to be entirely fair and impartial in his rulings. His advanced age precludes much heavy work, and his total lack of legal or professional training hampers his ability to write judgments, to decide cases. Mr. Stoneman is a comparatively young man. He has ability and has worked hard since his appointment. He has no special capacity for his job but is by no means a weak commissioner. His presence on the board, in fact, is rather a tribute to his force of character. He was, admittedly, the brains of the farmer movement in Saskatchewan and it was commonly believed that Hon. Charles Dunning appointed him to weaken the farmer movement, and to clear the field of possible political enemies.

Calvin Lawrence was appointed in 1921 as the representative of labor on the Commission. He is now in failing health, but has never seemed to take his duties very seriously.

Electrotyping, Stereotyping and Blue-Printing Show Gain

The stereotyping and electrotyping industries, including only firms specializing in these lines, showed a general gain in all principal statistics in 1929 as compared with 1928 figures.

Production was up to $1,366,625 as against $1,179,296 in 1928 and the number of establishments increased by two to 29. The principal statistics of this industry are as follows:

	1929	1928
No. of establishments	29	27
Capital invested	$ 1,494,658	$ 1,246,088
Aver. No. employed ..	412	356
Salaries & wages pd.	$ 658,169	$ 627,493
Cost of materials ...	$ 170,616	$ 132,043
Value of prod.	$ 1,366,652	$ 1,179,296

The blue-printing industry showed a gain of 33.7 per cent in gross value of production. The number of establishments remained at 15 but capital invested increased by 25 per cent. Principal statistics for 1929 and 1928 are as follows:

	1929	1928
No. of establishments	15	15
Capital invested	$ 213,085	$ 170,972
Aver. No. employees	93	89
Salaries & wages ...	$ 100,476	$ 93,609
Cost of materials ...	$ 134,444	$ 77,750
Val. of prod.	$ 371,485	$ 277,894

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TRACTOR SALES DOWN 40 PER CENT DURING PAST YEAR

1930 Estimates Show Comparative Purchases of Farm Implements

Tractor sales in Western Canada declined 4.1 per cent in 1930, according to an annual estimate made by the Canadian Farm Implement Journal of Winnipeg. The 1930 figures was 8,278 as compared to 14,557 in 1929; 17,143 in 1928 and 10,026 in 1927. In the past 12 years, total sales are placed at 94,071, which includes 117 tractors sold in British Columbia in 1930. No figures had been compiled for British Columbia until last year. The sales for 1930 are said to be not quite complete as one distributor did not submit returns.

The following table shows the record of sales by provinces during the past 12 years:

Tractor Sales in Western Canada

Year	Manitoba	Sask.	Alberta	Total
1919	3,627	3,514	1,703	8,844
1920	3,671	4,229	2,879	10,279
1921	1,057	1,655	716	3,428
1922	1,361	2,475	386	4,222
1923	911	2,524	731	4,166
1924	465	1,213	434	2,112
1925	1,008	2,176	869	4,053
1926	1,498	3,704	1,311	6,518
1927	1,414	5,727	2,885	10,026
1928	2,209	8,703	6,231	17,143
1929	2,423	6,906	5,228	14,557
1930	1,541	4,350	2,720	*8,728
Total for .	24,185	47,175	25,593	94,071

*Includes 117 tractors sold in B.C.

Thresher sales dropped only 2.4 per cent during the year, the 1930 figure being 2,046 as against 2,095 in the previous year. The record of thresher sales is only available for three years, during which time 10,388 threshers have been sold in the three Prairie Provinces. Sales for the three years are as follows:

Thresher Sales in Western Canada 1928-30

Year	Man.	Sask.	Alta.	B.C.	Total
1928	1,062	3,239	1,946	..	6,247
1929	466	1,053	576	..	2,095
1930	379	829	826	12	2,046
Totals	1,907	5,121	3,348	12	10,388

Combine sales took an even greater percentage drop than tractor or thresher sales, according to the record compiled by the Journal. The 1930 figure is placed at 1,614 as compared with 3,500 in 1929 and 3,657 in the previous year which set the record for all time. The total number sold in the Prairie Provinces up to the end of 1930 is placed at 9,545.

In addition to the 1,614 combines sold in 1930, the Journal reports the sale of 494 swathers and 624 pick-ups. The figures of combine sales by provinces are as follows:

Combine Sales in Western Canada

	Man.	Sask.	Alta.	Total
1926	2	148	26	176
1927	21	382	195	598
1928	206	2,356	1,095	3,657
1929	158	2,484	858	3,500
1930	134	939	539	1,614

Hat and Cap Manufacturers Production Dropped in 1929

A general reduction in principal statistics of the hat and cap industry for 1929 is shown in the report of the Dominion Bureau of Statistics recently issued. The number of firms was 152 in 1929 as compared with 159 in 1928. Capital invested is down to $7,709,270 from $8,164,615. Ontario has 76 establishments with an invested capital of $4,478,601 and Quebec is second with 60 plants and an invested capital of $2,663,973.

The greatest part of the production comes from companies with a capital investment of under $200,000. Only three firms are shown with invested capital of over $500,000. These three had an average production of $696,627. While average production for all firms was $102,127. Principal statistics of the industry for 1929 and 1928 are as follows:

	1929	1928
Establishments	152	159
Capital invested	$ 7,709,270	$ 8,164,615
Aver. No. employed	4,662	4,917
Salaries & wages ...	$4,455,829	$ 4,879,405
Cost of materials ...	$ 7,710,546	$ 8,290,055
Gross val. of prod. ..	$15,523,376	$16,973,193
Net val. of prod. ...	$ 7,812,830	$ 8,683,138

To Contest G. T. R. Claims

The committee representing security holders of Grand Trunk American Lines has issued a circular in London, Eng., asking for subscriptions to provide funds for bringing proceedings in American courts contesting Canada's claim to legislate in derogation of stockholders' rights in the United States. The claim will be for $55,000,000 against the Canadian government. The circular alleges that Canada altered the agreement made in London before confederation and contends that alteration cannot affect American property rights and that Canadian arbitration proceedings were not in due process of American law.

Turner Valley Drilling Report

Wells drilled by Imperial Oil

PROGRESS REPORT—Week Ending February 7, 1931

Name of Well	No.	Type	Depth last report	Present depth	Feet drilled	Remarks
Mayland	4	S.	2290	2290	...	Changing to rotary.
Mayland	6	R.	3401	3604	203	Drilling in Home Oil sand.
Lowery	2	R.	5383	5506	123	Drilling in Lower Fernie.
C.D. & P.	1	R.	3816	3855	39	Lime, standing cemented.
S. W. Pete.	2	R.	2915	3112	197	Drilling in Lower Benton.
S. Lowery	1	R.	4698	4857	159	Making production test 4,500,000 ft. gas.
S. Lowery	2	S.	1292	1292	...	Changing to rotary.
S. Lowery	3	R.	35	266	231	20 inch casing cemented on bottom, standing.
Merland	1	R.	....	....	...	Mixing mud and endeavouring to get circulation.
Lethbridge	1	S.	1512	1634	122	16 inch casing lowered to 1,601 underreaming in shale.

NOTE: R—Rotary. S—Standard. DD—Diamond Drill.

CENTRAL MANITOBA RECOVERY IS $8.44

An official statement from Central Manitoba Mines for the calendar year ended December 31, 1930, shows a production valued at $395,382, recovered from 46,872 tons of ore treated, or an average recovery of $8.44 per ton of ore treated. During the company's fiscal year which ended April 30, the value of the production was $418,703, recovered from 53,436 tons of ore treated, or an average recovery of $7.83 per ton. This recovery compares with that in the previous fiscal year of $505,640, from the treatment of 52,659 tons of ore averaging $9.60 per ton.

The current production is about 133 tons daily from which is recovered approximately $9 per ton in gold, while December production amounted to $36,155.

Although the company's fiscal year ends April 30, there has been no annual statement forwarded to shareholders, and the above is the first information to come from the company on its operations for the year.

Trail Ore Receipts

Following is a statement of ore received at the Trail Smelter for the period January 22nd to 31st, 1931, inclusive:

Name of Mine	Locality	Tons
Bell	Beaverdell	50
Knob Hill	Republic	108
Planet	Nicola	27
Sally	Beaverdell	37
Union	Lynch Creek	32
Wellington	Beaverdell	50
Total		304
Total Company		12,770
Grand Total		13,074

Vancouver Grain Shipments

Grain shipments through the Port of Vancouver for the season, to January 23rd, total 36,545,443 bushels, compared with 18,679,810 bushels for the same period of the previous year.

D. M. DUGGAN
INVESTMENTS, LTD.
Bonds
and
Insurance
BANK OF TORONTO BUILDING
EDMONTON, CANADA

Weber Bros. Agencies
Limited
PROPERTY MANAGEMENT
REAL ESTATE—INSURANCE
FINANCIAL AGENTS
Edmonton Credit Building,
Edmonton, Alberta

BRITISH CANADIAN TRUST COMPANY
Incorporated by Special Ordinance of the Northwest Territories of Canada (1901 Chapter 35) to Act as
Executor, Administrator, Trustee, Guardian
Mortgage Loans, Rental Agents
Authorized Trustee in Bankruptcy
INSURANCE
Managers: BRITISH CANADIAN FINANCE, LIMITED
Office — 321 6th St. S. LETHBRIDGE, ALBERTA
H. D. ROOD, Manager and Secretary

The Weyburn Security Bank
Chartered by the Act of the Dominion Parliament
THIRTY BRANCHES IN SASKATCHEWAN
HEAD OFFICE - WEYBURN, SASK.
DIRECTORS:—Alex Simpson, Pres., Hollywood, California; Jos. Mergens, Vice-Pres., Weyburn, Sask.; J. A. McBride, Weyburn, Sask.; M. A. Miller, Weyburn, Sask.; O. H. Hellekson, Minneapolis, Minn.; N. D. McKinnon, Weyburn, Sask.; H. O. Powell, Gen. Mgr., Weyburn, Sask.
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Facts and Figures Furnished Freely.

The Bureau of Provincial Information
VICTORIA, B.C.

"How to Invest for Profit"

A new book just published by The Financial Post. It is the first book written for the Canadian investor dealing with the particular investment conditions in Canada. It is non-technical. Yet it is complete. It deals with stocks; how to select them, how to judge their value, how to buy them, dealing with stock brokers, etc. It deals with bonds, what they are, how they can be judged, how to buy them, how to sell them, etc. It discusses problems of different types of investors and what they should choose.

In addition, there is a valuable compendium of financial and investment terms, table of stock yields, table of bond interest, stock exchange commission rates, etc.

In order to place the volume within reach of every investor, large and small, it has been priced at $1.00. But it is not a cheap book in any way. It is printed in clear type on the best quality book paper and is bound in cloth. Pin one dollar to the coupon and we will send you your copy right away.

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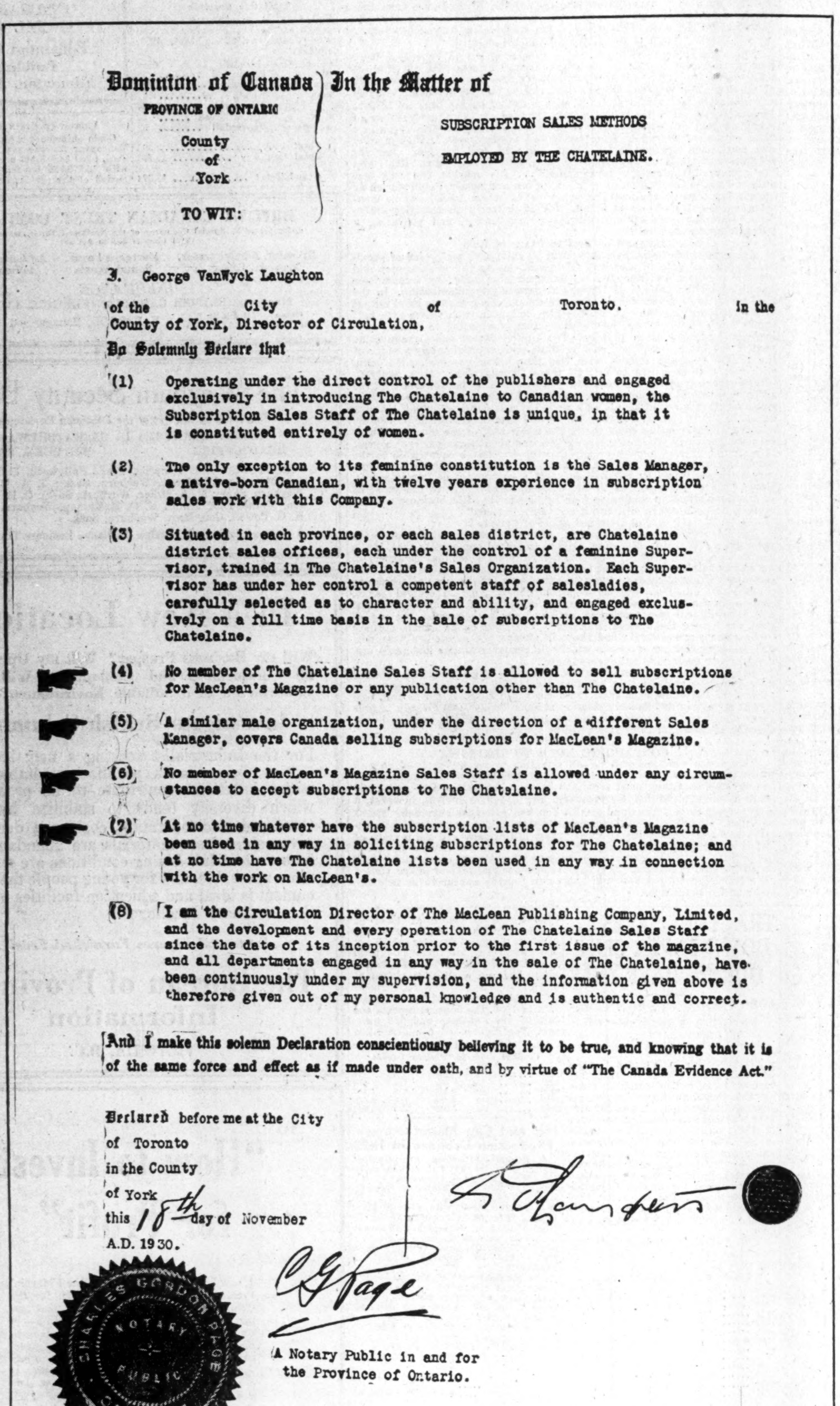
No Greater Duplication



Dominion of Canada
PROVINCE OF ONTARIO
County
of
York
TO WIT:

In the Matter of

SUBSCRIPTION SALES METHODS
EMPLOYED BY THE CHATELAINE.

I, George VanWyck Laughton

of the City of Toronto. in the County of York, Director of Circulation,

Do Solemnly Declare that

(1) Operating under the direct control of the publishers and engaged exclusively in introducing The Chatelaine to Canadian women, the Subscription Sales Staff of The Chatelaine is unique, in that it is constituted entirely of women.

(2) The only exception to its feminine constitution is the Sales Manager, a native-born Canadian, with twelve years experience in subscription sales work with this Company.

(3) Situated in each province, or each sales district, are Chatelaine district sales offices, each under the control of a feminine Supervisor, trained in The Chatelaine's Sales Organization. Each Supervisor has under her control a competent staff of salesladies, carefully selected as to character and ability, and engaged exclusively on a full time basis in the sale of subscriptions to The Chatelaine.

☛ (4) No member of The Chatelaine Sales Staff is allowed to sell subscriptions for MacLean's Magazine or any publication other than The Chatelaine.

☛ (5) A similar male organization, under the direction of a different Sales Manager, covers Canada selling subscriptions for MacLean's Magazine.

☛ (6) No member of MacLean's Magazine Sales Staff is allowed under any circumstances to accept subscriptions to The Chatelaine.

☛ (7) At no time whatever have the subscription lists of MacLean's Magazine been used in any way in soliciting subscriptions for The Chatelaine; and at no time have The Chatelaine lists been used in any way in connection with the work on MacLean's.

(8) I am the Circulation Director of The MacLean Publishing Company, Limited, and the development and every operation of The Chatelaine Sales Staff since the date of its inception prior to the first issue of the magazine, and all departments engaged in any way in the sale of The Chatelaine, have been continuously under my supervision, and the information given above is therefore given out of my personal knowledge and is authentic and correct.

And I make this solemn Declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath, and by virtue of "The Canada Evidence Act."

Declared before me at the City
of Toronto
in the County
of York
this 18th day of November
A.D. 1930.

C G Page

A Notary Public in and for
the Province of Ontario.

CHARLES GORDON PAGE

This Affidavit should clear up the Question of Duplication

TWENTY THOUSAND of the subscribers to MacLean's Magazine were asked "the names of the magazines which members of your family either personally subscribe for by mail or regularly buy from newsdealers."

The returns (16.2 per cent) comprised 3,244 replies, forming a cross-section of the Dominion as complete and as representative as that to which the original mailing was sent.

Of the 3,244 subscribers who replied to the question, 663 buy also The Chatelaine—*a duplication of only 20.4 per cent.* (The Association of National Advertisers, Inc. reports 33.5 per cent duplication between Saturday Evening Post and Ladies' Home Journal, and 39.8 per cent between American Magazine and Woman's Home Companion.)

◆ ◆ ◆ ◆

THE SAME questionnaire yielded some equally interesting figures regarding duplication between MacLean's Magazine and The Chatelaine respectively, and magazines produced by other publishing houses in Canada.

One magazine shows 24.1 per cent duplication of MacLean's Magazine, while another runs as high as 32.3 per cent. The average duplication was 26.2 per cent.

These same two magazines duplicate The Chatelaine by as much as 27.6 per cent and 34.4 per cent respectively.

It is evident, therefore, that *there is no greater duplication* between MacLean's Magazine and The Chatelaine than if these two magazines were produced by two entirely separate publishing houses.

There is no greater duplication between MacLean's Magazine and The Chatelaine than if these two magazines were published by two separate publishing houses.